EXHIBIT 14

January 10, 2016

Under Armour Inc.

Declining Share and ASPs Dual Threat to Premium Valuation, Downgrade to UW

Industry View	Stock Rating	Price Target
In-Line	**Underweight**	**$62.00**

Our data shows declining share in women's apparel and falling ASPs in footwear -- categories that represent 40% of forecasted growth -- leaving little room for error on a high P/E stock. We lower our FY16 estimate by 6% and see 21% PT downside.

What's Changed?	From:	To:
Under Armour Inc.		
Rating	Equal-weight	Underweight
Price Target	$103.00	$62.00

Data indicates near-term earnings uncertainty is more than just weather: Recent SportScan data shows UA is losing market share for the first time in 3 years in apparel and, more surprisingly, ASPs are falling at an accelerating pace. Both trends are more pronounced in women's apparel, despite major marketing investment in this division last year. Though warm weather surely explains some of this, we think UA may be reaching maturity in US apparel faster than previously thought. Though we remain constructive on UA's int'l opportunity, we don't think the shares are priced for a US slowdown.

UA running footwear prices are down 20% since January 2013, while the industry's are down just 4%: UA is now positioned as a mid-tier running brand. UA has always competed on brand image and innovation, rarely on price. This change in trend is a major concern because this positioning threatens to erode UA's premium brand image and ultimately its long-term growth potential. We see a similar theme occurring in basketball footwear.

We lower our 5-year sales and EPS growth forecasts by 1% and 3%, respectively to 23% and 21%: Our forecast assumes North America revenue grows 19% per year. Our bear case assumes revenue/EPS growth of 21% and 16% over the next 5 years and includes a further N. Am. slowdown to 16%. Though we feel comfortable with our base case, if US women's apparel and footwear sales are weaker than we envision, bear case risks rise.

We lower our UA PT to $62/share from $103: This assumes an 8.5% cost of equity and 4% long-term growth rate. The cost of equity has risen 50 bps from our last note due to current market pricing for risk. All other assumptions are unchanged. The PT change is 20% based on our new EPS estimates, the other 80% on the Ke difference. This indicates just how sensitive to a change in risk perception a high P/E stock like UA is. The stock has maintained a premium multiple despite downward margin revisions. However, we don't think the stock would hold its P/E on a genuine sales miss, which has never happened.

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Under Armour Inc. (UA.N, UA US)

Branded Apparel & Footwear / United States of America

Stock Rating	**Underweight**
Industry View	**In-Line**
Price target	**$62.00**
Shr price, close (Jan 8, 2016)	$75.00
Mkt cap, curr (mm)	$16,585
52-Week Range	$105.89-63.77

Fiscal Year Ending	12/14	12/15e	12/16e	12/17e
EPS ($)**	**0.95**	**1.00**	**1.27**	**1.60**
Prior EPS ($)**	-	1.05	1.35	1.75
Consensus EPS ($)§	0.94	1.05	1.36	1.72
P/E, consensus§	71.9	76.9	55.0	43.7
EV/EBITDA**	34.3	37.1	28.9	23.1
Div yld (%)	0.0	0.0	0.0	0.0
Revenue, net ($mm)	3,084	3,883	4,883	6,060
EBIT margin (%)**	11.5	10.1	9.9	9.8
Return on avg eqty (%)**	17.3	15.1	16.1	17.2
Net debt/EBITDA**	NM	0.8	1.2	1.2
ModelWare EPS ($)	0.04	(0.66)	(1.49)	(2.91)

Unless otherwise noted, all metrics are based on Morgan Stanley ModelWare framework
§ = Consensus data is provided by Thomson Reuters Estimates
** = Based on consensus methodology
e = Morgan Stanley Research estimates

QUARTERLY EPS ($)

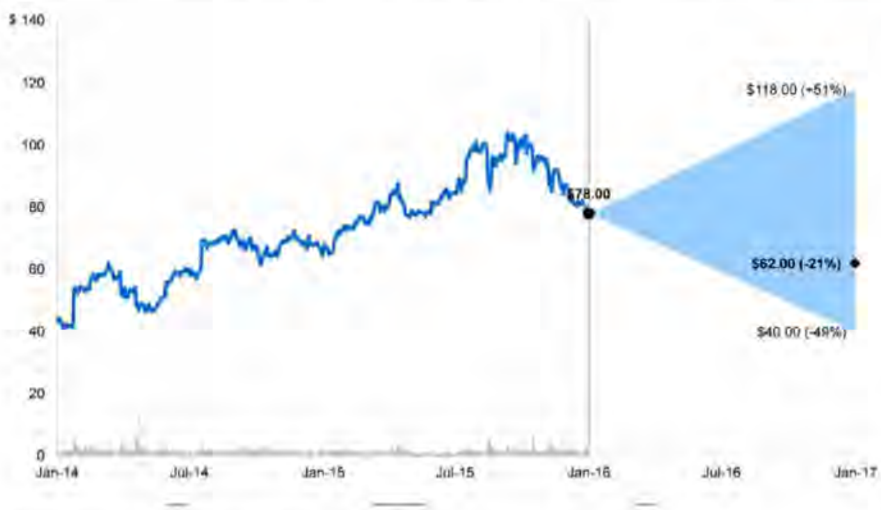
Quarter	2014	2015e Prior	2015e Current	2016e Prior	2016e Current
Q1	0.06	-	0.05a	0.06	0.06
Q2	0.08	-	0.07a	0.10	0.09
Q3	0.41	-	0.45a	0.60	0.58
Q4	0.40	0.47	0.43	0.59	0.53

e = Morgan Stanley Research estimates, a = Actual Company reported data

Exhibit
0014

Risk Reward

Declining share and ASPs threaten UA's premium valuation



Source: Thomson Reuters, Morgan Stanley Research

Price Target $62

Derived from our DCF analysis, which uses an 8.5% cost of equity and a 4% LT growth rate. The cost of equity is based on the current market risk free rate, expected market return, and beta. The growth rate is based on our bullish global athletic wear view. The P/E we use is backed-into from this analysis.

Bull $118
64x Bull Case FY17e EPS $1.85

Under Armour will. The market sees UA becoming the world's No. 2 athletic brand. UA's connected fitness strategy creates a large new growth driver. Sales CAGR is 25% and EPS CAGR is 25%.

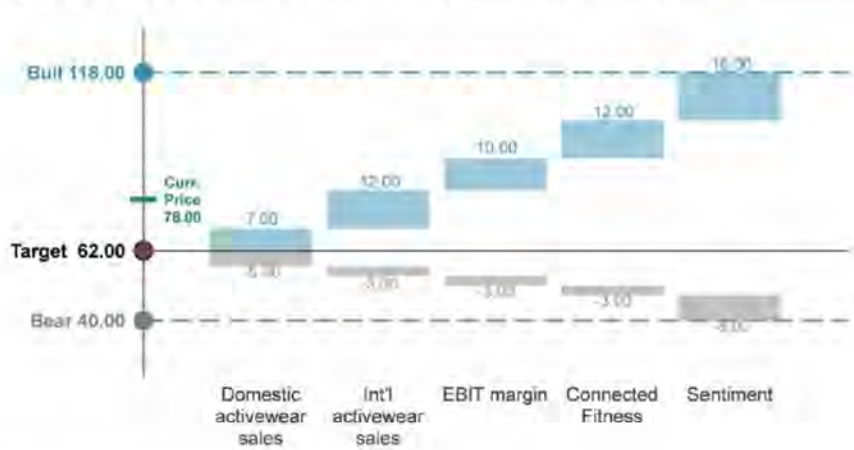
Base $62
39x Base Case FY17e EPS $1.60

Growth questioned. UA progresses internationally, but a US women's apparel sales slowdown and concerns about LT footwear potential cause P/E slippage. Sales/EPS CAGRs are 23%/21%.

Bear $40
29x Bear Case FY17e EPS $1.40

De-cleated. UA fails to sustain secondary category momentum. Growth limited to men's and youth apparel. The sales CAGR drops to 21% and the EPS CAGR falls to 16%. The P/E contracts.

Exhibit 1: Key value drivers: Our inputs and the impact on scenario values



Source: Company data, Morgan Stanley Research

Investment Thesis

- UA is a growth story, but SportScan data shows UA is losing apparel market share for the first time in three years. Perhaps more concerning is ASPs are declining at an accelerating rate. These issues are particularly acute in women's apparel.
- We also have concerns about the footwear strategy. UA has always competed on brand image and innovation, rarely on price. Footwear sales are growing strongly, but ASPs are falling. This change in trend is a major concern because it suggests a fundamental shift in the UA story.
- We see an unfavorable risk/reward. The stock has maintained a premium multiple despite downward margin revisions. However, if the market questions the UA growth story, the P/E could fall significantly and out FY16 EPS estimate is 7% below consensus.

Key Value Drivers

- Sales – UA has six main sales drivers: men's, women's and youth athletic apparel, athletic footwear, international markets, and connected fitness.
- UA primarily uses a wholesale distribution model, but also has robust company-owned square footage and online growth potential.
- Gross margin – UA is a premium-priced brand. Gross margin is affected by labor and input cost changes, inventory management, as well as product and channel mix shifts.
- SG&A – Channel mix shifts, marketing, new product R&D and personnel drive expense growth.

Risks to Achieving Price Target

- North American athletic apparel industry momentum could accelerate and the Under Armour brand gain traction internationally faster than we expect.
- Major supply chain, SAP implementation, and connected fitness investments deliver benefits faster than expected.
- Foreign currency exchange rate volatility could either help or hurt UA.
- Mismanagement of Environmental, Social, and Governance issues could lead to reputational damage, hurting valuation.

Too Many Risks Emerging; Downgrade to UW

If Under Armour's sales growth rate slows, it could lead to significant multiple compression. Under Armour trades at 78x FY15 EPS. This is an unprecedented valuation for a consumer discretionary company of this size. Our view, and the market's, has been Under Armour is a great brand and will eventually become the world's number two athletic wear company and possibly number one. This has justified the premium valuation since UA could drive double-digit sales growth for each of the next 20 years. However, we see two main risks developing which could cause the market to question how long it may take for UA to become #2, or even if it can still become #2, and this may cause the stock's P/E to slip. The key risk is potentially softening US women's apparel sales. The second is possible long-term US footwear growth limitations. Together, these two categories account for 40% of the sales growth we forecast for UA over the next 5 years.

Our new price target is $62, 21% below today's price. Because of these risks, adverse FX moves, and a weather-related 4Q15 sales slowdown, we have lowered our FY16 EPS estimates by 6%. Our new $1.27 outlook is 6% below the Street's $1.35. We have also increased the cost of equity assumption used in our Intrinsic Value Analysis. Together, these changes drive a 33% price target drop to $62, 12% below today's stock price, and the rating change.

We see an unfavorable risk/reward. This price target still implies UA should trade at 49x FY16 EPS. We think this is fair because UA is still a great brand with a terrific long-term growth story. The main difference between now and before is our conviction in the business story has dropped somewhat and with the stock "priced for perfection" it has caused a material change in our view of the stock and its valuation. Small changes in long-term growth assumptions can have big impacts on valuation (**Exhibit 2**). In addition, if the bear case plays out, where US women's apparel sales slow and this causes a major total company sales growth rate deceleration instead of the minor one we currently forecast, the stock's P/E could drop to the 20s. Overall, we see a 1/1 bull/bear risk/reward.

Exhibit 2: Under Armour's valuation is highly sensitivity to cost of equity and long-term growth expectations

Price Target Sensitivity											
Cost of Equity	7.50%	7.75%	8.00%	8.25%	8.50%	8.75%	9.00%	9.25%	9.50%	9.75%	10.00%
Stock Price	**$108**	**$98**	**$90**	**$82**	**$76**	**$70**	**$65**	**$60**	**$55**	**$52**	**$48**
Stock Price change		-9%	-9%	-8%	-8%	-8%	-8%	-7%	-7%	-7%	-7%
Years to reach steady-state	10	12	14	16	18	20	22	24	26	28	30
Stock Price	**$33**	**$36**	**$40**	**$45**	**$49**	**$54**	**$60**	**$66**	**$72**	**$79**	**$86**
Stock Price change		11%	11%	11%	10%	10%	10%	10%	10%	10%	9%

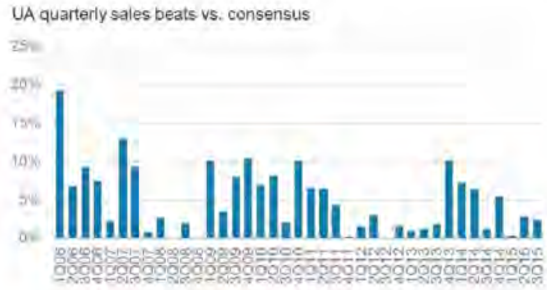
Source: Morgan Stanley Research

We think this call could play out near-term and see two potential catalysts. The first catalyst is Under Armour's 4Q15 earnings report on January 28th. Warm weather and adverse FX moves have likely hampered UA's 4Q. We think a sales and EPS miss or weak FY16 guidance is possible. The stock's P/E has held up despite downward EPS revisions based on lower margin guidance (**Exhibit 3**). We believe the reason is the market believes margins will eventually rebound as the company scales, so near-term margin erosion doesn't really change the company's long-term earning power. However, we think a sales slowdown would hurt UA's P/E since this probably would challenge the long-term growth story. UA has never missed the Street's sales forecast in any quarter (**Exhibit 4**).

Exhibit 3: The stock's P/E has held up despite downward EPS revisions based on lower margin guidance

Source: Bloomberg

Exhibit 4: UA has never missed the Street's sales forecast in any quarter, starting in '06. We think a miss would challenge the LT story.



Source: Bloomberg

The second potential 2016 catalyst is if Under Armour introduces new distribution into Kohl's (KSS is covered by Kimberly Greenberger). Industry sources suggest this is possible. We believe Kohl's was not part of UA's 2018 plan given at its investor day. A move into that retailer would suggest to us growth is becoming harder to find for UA than previously thought.

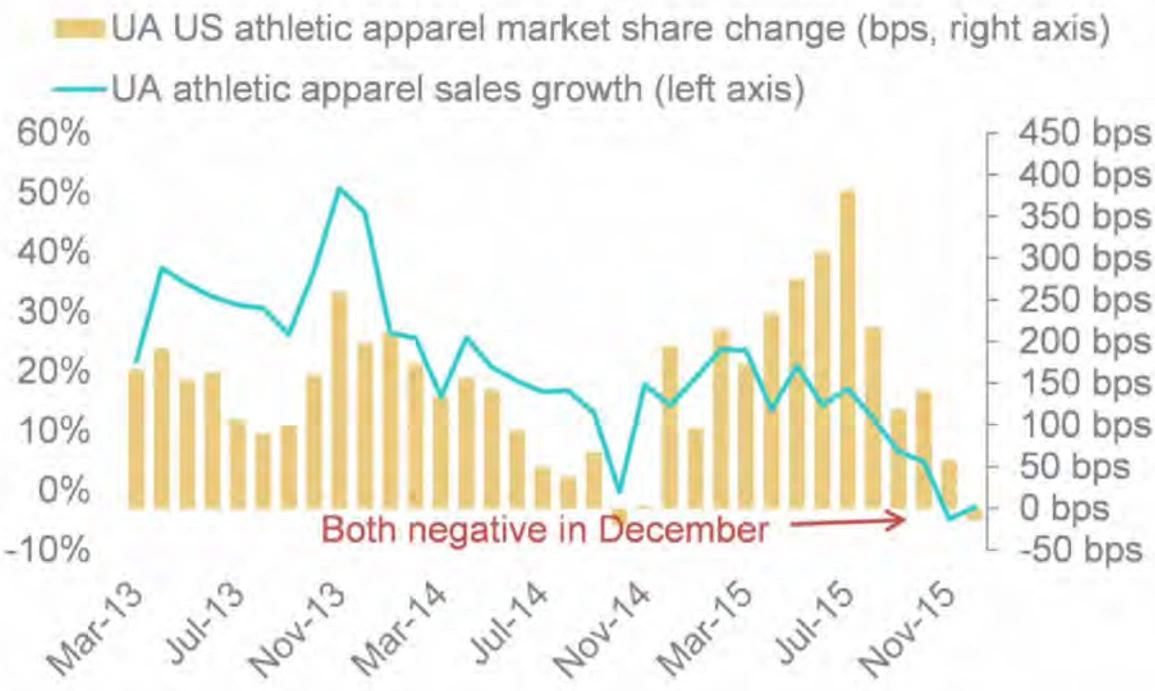
We like Nike over Under Armour. We rate Nike Overweight and believe the stock will grind higher through 2016. Like UA, Nike has an expensive P/E valuation, but on a PEG ratio basis, NKE looks much cheaper, 1.7 vs. 3.8 for UA. We also have very high conviction in our CY16 Nike EPS estimates, whereas we see more downside risk to UA. The main risks are 1) UA can drive greater international growth than currently modeled; 2) UA's EBIT margin rises more than expected, something few in the market expect; and 3) UA's connected fitness business growth and profitability is stronger than expected. These factors could cause UA's P/E to rebound. However, we doubt any of these play out this year. We already model very strong international growth and with cost pressures rising and the connected fitness business is still so new, we don't see upside surprises from these areas.

Potentially slowing apparel sales is the main risk

Warm weather has likely affected UA's North American apparel business, but other factors may be at work

SportScan data shows -2% Under Armour Holiday quarter apparel sales growth and market share loss. Under Armour sales have been particularly slow in the sweats/fleece category. This seems somewhat predictable due to the unseasonably warm weather the US has experienced this Holiday season. Weather Trends International indicated the retail November 2015 was the 2nd warmest in 24+ years with above normal warmth across the eastern half of the US. Plus, December followed a similar pattern. However, Nike has experienced double-digit growth in sweats/fleece in November and December, on higher unit sales and higher average selling prices (ASPs), so it is probably not in our view only weather impacting UA. Overall, UA sales growth has decelerated on both a one- and two-year basis since spring 2015 and recently, the data suggests UA is losing apparel market share (**Exhibit 5**). Plus, ASP growth has been steadily decelerating, from positive low-single-digits gains in 2014 to negative low-single-digit growth this year. This compares unfavorably to the industry and Nike, which have both experienced steadily increasing ASPs (**Exhibit 6**).

Exhibit 5: UA sales growth has decelerated on both a one- and two-year basis since spring 2015 and recently, the data suggests UA is losing apparel market share



Source: SSIData

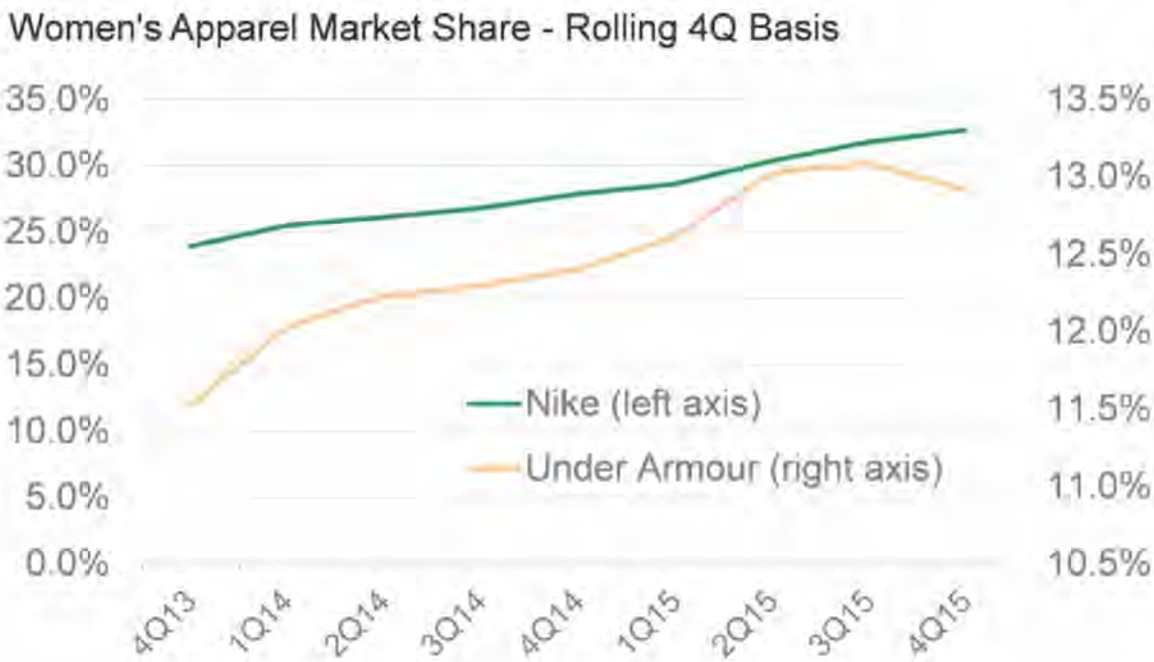
Exhibit 6: UA ASP growth has been steadily decelerating, from positive low-single-digits gains in 2014 to negative low-single-digit growth this year. This compares unfavorably to the industry and Nike.

Source: SSIData

The issues are more acute in women's apparel

Women's apparel has been a strong growth driver for Under Armour, but the trend has slowed recently. Women's apparel grew faster than men's for Under Armour in recent years. Lately the overall trend of slowing sales growth, falling ASPs, and market share losses cited above have been more pronounced in women's apparel. Women's apparel sales growth has lagged men's by roughly 500 bps YTD with slightly higher ASP declines. Plus, UA has lost only a small amount of share in men's, but share loss in women's has been larger and happening for 5 months, while Nike continues to take share (**Exhibit** 7).

Exhibit 7: UA share loss in women's has been happening for 5 months, while Nike continues to take share



Source: SSIData

We find this concerning because Under Armour invested nearly $15M in a major marketing campaign in 2014 targeted toward women. We think this UA "Brand Holiday" should have stimulated growth, but the opposite may be happening. UA's "I Will What I Want" women's campaign, featuring Misty Copeland, who stars for the American Ballet Theatre, skier Lindsey Vonn, US Women's National Soccer Team standout Kelley O'Hara and supermodel Gisele Bündchen, was critically acclaimed and Ad Age named Under Armour its 2014 Marketer of the Year.

To continue its growth story, UA must excel in women's apparel. Women's apparel is a much larger market than men's apparel and UA has a much smaller share in it than it does in men's. We estimate UA must grow US women's apparel sales at a 23% CAGR through 2019 if it is going to meet market expectations (**Exhibit 8**). This is 20% of the total growth we forecast for Under Armour. Given UA women's apparel growth in US wholesale channels, according to SportScan, is essentially flat for the last six months, we think meeting the 23% bar could be more difficult than previously thought.

Exhibit 8: We estimate UA must grow US women's apparel sales at a 23% CAGR through 2019

Category	Forecasted sales growth
Connected Fitness	51%
Footwear	28%
Womens apparel	23%
Accessories	16%
Licensing and other	16%
Mens apparel	14%
Kids apparel	13%
North America total	**19%**

Source: Morgan Stanley Research

If Under Armour enters Kohl's, we think it would signal a potential problem for UA in US apparel

Appearing at this type of retailer would be a departure from UA's strategy put UA's premium image/pricing at risk. Industry sources suggest Under Armour is discussing with Kohl's potentially opening up new distribution there. This would likely add strong growth to Under Armour's apparel revenues and give the brand access to a new cohort of female consumers. However, the issue we would have is it risks eroding the premium image of the UA brand. Kohl's is a mid-tier department store and highly promotional on a daily basis.

Some would argue Nike does it and still maintains a premium image, so why can't UA? The reason is Nike is able to differentiate the products it offers at various retailers better than UA can. Plus, Nike is much more skewed to footwear than apparel, where it is much easier to differentiate the products. Kohl's consumers recognize Nike products there aren't top of the line goods, which is why they are lower priced. Under Armour's apparel assortment hasn't evolved yet to the point where customers would really know the difference between what sells at Dick's Sporting Goods (the high-end of UA's distribution) and what would sell at Kohl's. Plus it doesn't have a footwear assortment ready to go.

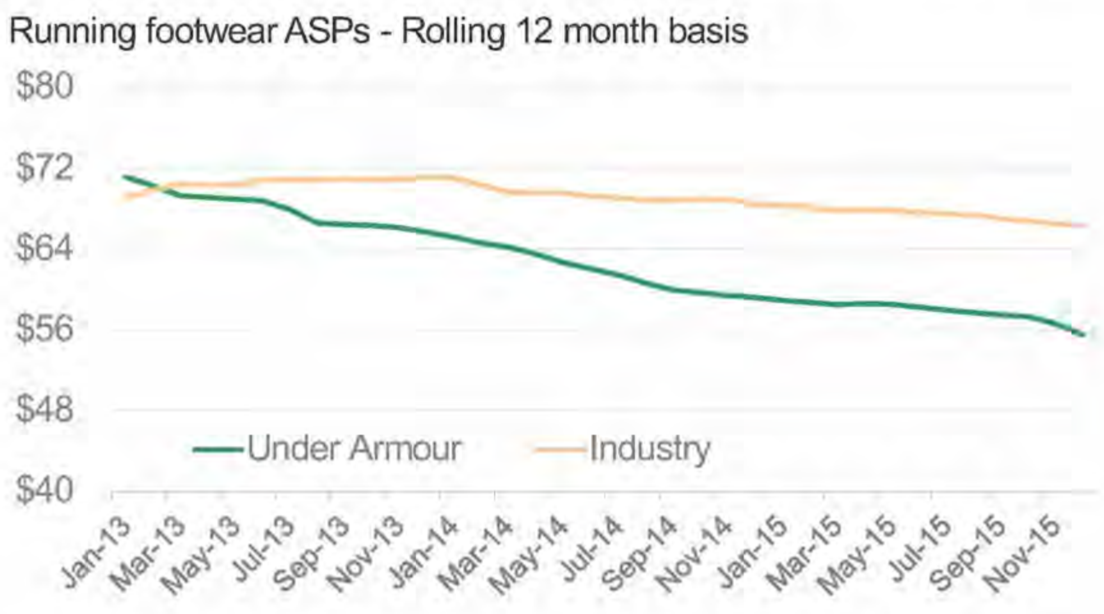
Entering Kohl's would seem like Under Armour is risking some of its brand equity to find growth. We forecast 17% US apparel growth for UA annually over the next five years. The plan to get there has been industry growth (4% annually, and 450 bps of our 17% forecast), market share gains in existing doors (another 450 bps), new full price "Brand House" stores (290 bps), strong double-digit eCommerce gains (115 bps), plus increased distribution in athletic specialty retailers like Foot Locker and high-end department stores like Nordstrom (the rest). However, all of this depends on strong women's apparel growth. Entering Kohl's would imply there may not be as much growth in these other channels as previously thought.

Our data shows falling footwear ASPs and this is a concern

We UA running footwear prices are down 20% since January 2013, while the industry's are down just 4%

UA running footwear ASPs have declined at an accelerating rate in 2015. We see potential pricing issues developing which threaten UA's premium brand image. This is something the Street is probably not aware of because UA is having great success growing running footwear sales this year. According to SportScan, UA's running footwear sales are up almost 100% y/y. Yet, prices have fallen at a mid-single-digit rate and continue to deteriorate (**Exhibit 9**). Plus, this is also in contrast to the total industry which has experienced much less significant price declines. Since January of 2013, UA running footwear prices are down 20%, while the industry's are down just 4%. Part of the explanation is a mix shift toward kids footwear, but the majority of the ASP declines are not due to that.

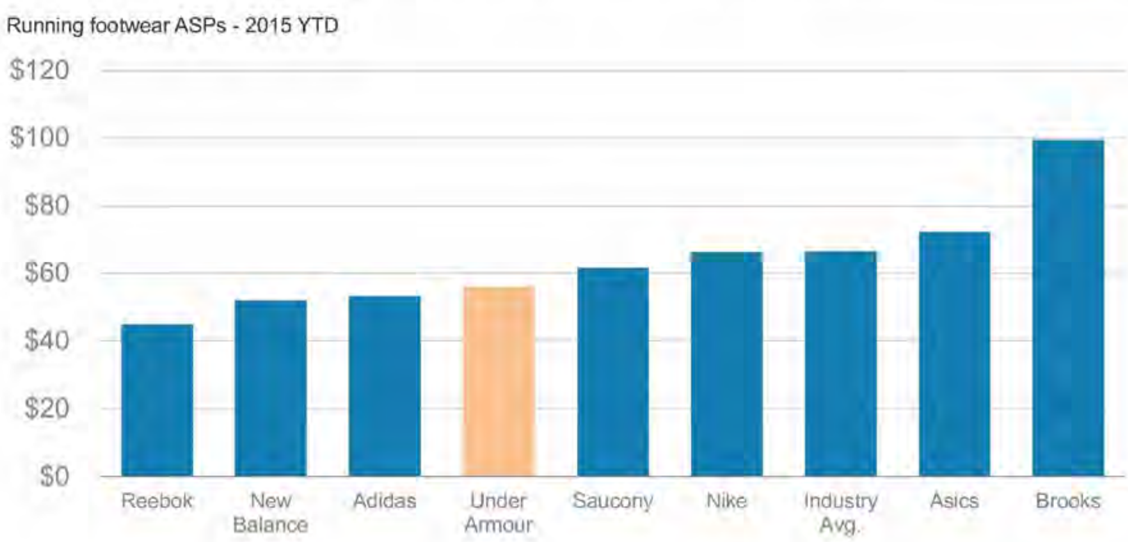
Exhibit 9: UA running footwear prices have fallen at a mid-single-digit rate and continue to deteriorate. Since January of 2013, UA running footwear prices are down 20%, while the industy's are down just 4%



Source: SSIData

At this point, UA is positioned as a mid-tier running brand. The chart below shows the average UA running footwear ASP is now $56, which places it near Adidas and New Balance and well below Nike, Asics and Brooks (**Exhibit 10**). Interestingly, in just January of 2013, Under Armour footwear prices were essentially on par with Nike's, but have since deteriorated to the point where Nike's average price is now 18% higher than Under Armour's. The problem with this is to meet the Street's sales growth expectations UA has to deliver a 28% footwear CAGR over the next five years in North America in our view (**Exhibit 8**). To do that, it will have to take share from Nike and the other premium players. Competing on price is definitely working now and may work for some time, but eventually, this erodes brand equity and may caused unexpected sales growth deceleration down the road.

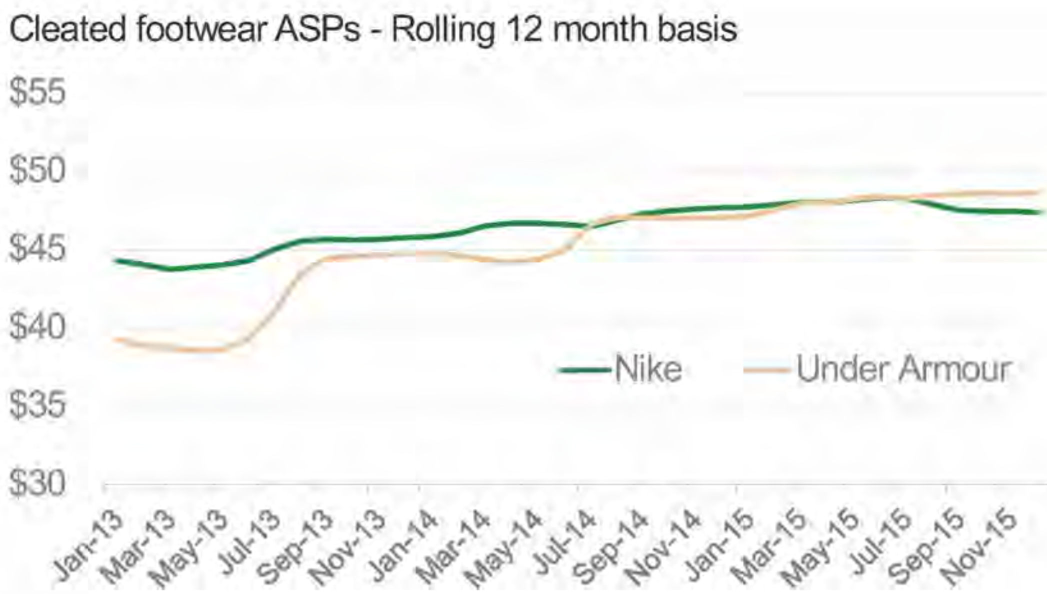
Exhibit 10: UA is positioned as a mid-tier running brand. The average UA running footwear ASP is now $56, which places it near Adidas and New Balance and well below Nike, Asics, and Brooks



Source: SSIdata

We think the most startling thing about this development is it is so different from what Under Armour has normally done. Under Armour has always been about maintaining that premium image. In cleats, Under Armour has always maintained high prices (**Exhibit 11**). In fact, it has steadily taken prices up over the past three years and its ASPs are now slightly ahead of Nike's. We wonder why the company does not insist on doing the same thing in basketball and running footwear.

Exhibit 11: Under Armour has always maintained high prices in cleats



Source: SSIData

We also have concerns about the basketball footwear strategy

UA's basketball footwear strategy suggests it may be more interested in damaging Nike than maximizing its brand image

We think UA's Stephen Curry shoes are underpriced. UA is charging $130 for the various Stephen Curry Two offerings. Curry is the hottest story in the NBA and the reigning NBA MVP from last year's champion Golden State Warriors. Last NBA season, Curry's Golden State Warriors jersey became the most popular jersey in the NBA, based on overall sales from NBAStore.com. Curry overtook LeBron James in jersey sales. We believe Under Armour should be charging a premium price since it has the most popular player. Nike charges $200 or more for top-of-the-line LeBron James, Kobe Bryant, and Kevin Durant signature shoes. UA's Curry pricing is more in-line with prices for Nike's Kyrie Irving offerings even though Curry is the more popular player.

In the secondary market for basketball sneakers, Curry shoes have a big price premium over the retail price. The earlier $110 Curry ones enjoy a 48% premium to the retail price, while later Currys with a $120 retail price have a much higher 81% premium (**Exhibit 12**). Given the rise in relevance we believe Curry's shoes could merit more than a $10 increase. We think the Curry Two shoes could easily be priced at $150.

Exhibit 12: In the secondary market for basketball sneakers, Curry shoes have a big price premium over the retail price

Source: Ebay.com, Campless.com, Footlocker.com, Finishline.com, Morgan Stanley Research

There are multiple explanations for why the Curry Twos are only $130, but none are very satisfying. Perhaps UA did not realize how big of a star Curry would become and how fast this would happen, so the price was set before some of this became apparent and the price for the Curry Three will rise significantly. This is probably the most reasonable reason. Or maybe Under Armour does not believe the quality of the product justifies a higher price. We don't think this is a good reason since if the product is good enough for Curry to wear in games, it is good enough to warrant a higher price. Even if this is the reason, it's not a great statement about UA's basketball footwear quality. Lastly, maybe UA wants to stimulate short-term sales growth in order to meet ambitious revenue targets. This is also a bad sign in our view. We never like to see a premium brand trade price for volume growth because this risks damaging the premium image that is the source of the long-term growth potential.

We worry the main reason is Under Armour wants to damage Nike. Pricing Curry shoes at $130 has had the effect of hurting sales of Nike's premier LeBron and Kevin Durant offerings and causing noticeable ASP declines. Under Armour's dislike of Nike is no secret and after fifteen years of building its basketball business at the grassroots level, UA finally has the chance to inflict real pain on Nike and it is. The problem is this strategy is basically about competing with Nike on price. We think this is a mistake because it positions Under Armour in basketball as a challenger brand, rather than an equal. If UA is going to deliver the basketball footwear growth the Street is looking for long-term, we think it has to take share from Nike by replacing it as the coolest, most premium brand, not by undercutting it on price (**Exhibit 13**).

Curry's surprising success has created a unique moment for UA to define itself as an equal to Nike and it is not capitalizing on it yet. UA may be inadvertently setting a ceiling on the value of its brand in basketball. If a UA shoe with the NBA's top player costs only $130, what will it charge for another player? Certainly not $130. We don't think kids would believe there is as much value in the product for a secondary player. Lastly, this is not at all what Under Armour did in apparel or cleats as it grew. Under Armour never competed on price. In fact, even today, UA apparel prices, according to SportScan, are over 10% higher than Nike's. It used insights and superior products in those categories to position itself as either equal to or better than Nike and succeeded. We think it has the same opportunity in basketball, but is not taking advantage of it. Or, this could be a red flag that UA is having a problem competing in basketball.

Exhibit 13: UA's product offering in apparel is higher priced than Nike's, on average. The same is not true in footwear.

Source: SSIData

The question is how will UA raise prices for its footwear over time, thereby driving sales and margin growth? According to SportScan, the average basketball shoe costs just over $90. The average Under Armour basketball sneaker costs around $73, even after getting the benefit of the Curry mix shift (which drove about a 30% y/y price increase). To raise the $73 number, UA must raise the price of the highest end of its offering in order to create the perception of value which allows it to put upward pressure on the more everyday styles where the bulk of the money is made. UA is hurting Nike, but it is not as clear it is helping itself as much as it could be. It is possible UA may be prioritizing market share gains vs. Nike and short-term sales growth over maximizing margin and brand image.

What does Under Armour's basketball strategy mean for Nike and Foot Locker?

We think Under Armour is causing a big headache for Nike in basketball. However, to put this in perspective, Nike basketball is only 14% of Nike Inc. sales and a significant piece of this business happens overseas. So its exposure to this emerging risk is limited. Plus, Nike has sustained challenges before and won. Adidas, with its Derrick Rose shoes, looked like a threat until Rose got injured. Allen Iverson was a popular player with Reebok for many years, but Nike continued to dominate. Plus, the vast majority of NCAA basketball tournament teams and the NBA are sponsored by Nike. Nevertheless, the big risk is Under Armour significantly damages the category. Nike has spent three decades convincing consumers the value of the product is high. Suddenly, Under Armour is sending a message that shoes from elite players are not worth $200 or $250, but rather $130.

This could have a very negative implications for basketball shoe ASPs. We've seen in other retail categories when leading players try to take market share by competing on price with top rivals they often succeeded, but at the same time damage the category. Nike has known for years the key to keep the basketball category growing, it must closely manage supply, create a "pull" market, and maintain an image of scarcity. It has had the discipline to stick to this strategy for decades. However, Under Armour's strategy threatens to disrupt this balance. We'll watch how long Under Armour sticks with this strategy and if Curry can remain the NBA's most popular player. It is too early to make a call on the category, but

if this persists long-term, it could change our view.

Under Armour's strategy has a mostly negative impact on Foot Locker, with some possible silver linings. If Under Armour causes more ASP declines in basketball, this would be a negative for Foot Locker. Foot Locker would have to offset by diversifying into another category or some other strategy, which is what it successfully did last quarter. We think it is possible that this can continue for some time. The interesting thing in our view is Foot Locker is a big key to Under Armour's growth. UA needs FL more than FL needs UA at this point. Foot Locker will not be interested in increasing the amount of UA it sells if a consequence is it hurts the rest of its basketball business. At the same time, Nike wants FL to keep UA out. This could give FL an opportunity to establish even closer ties with NKE, which could result in better product allocation, for example.

Three other concerns

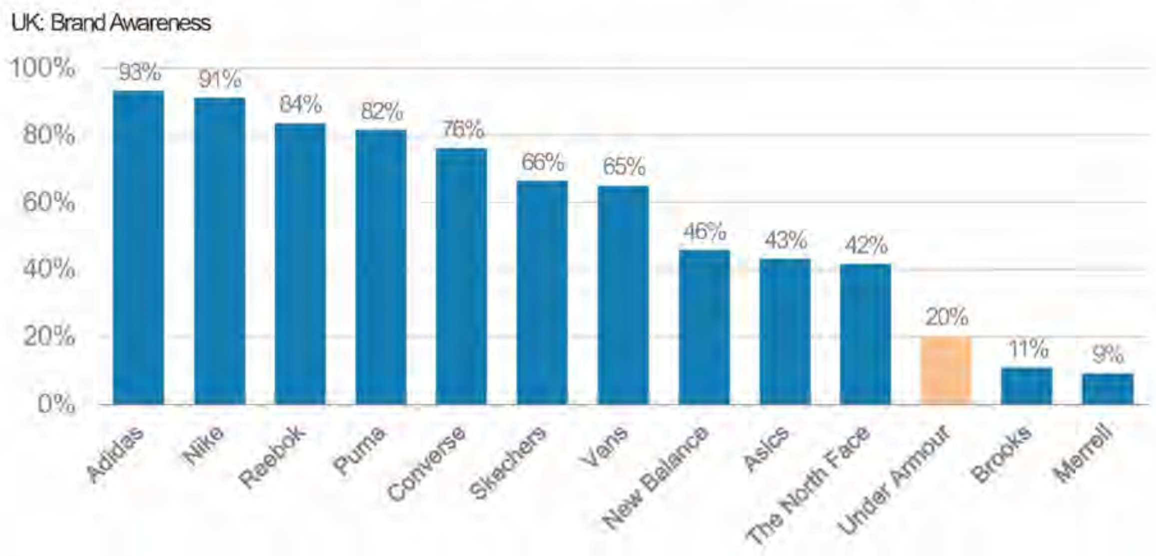
Football participation is declining

Under Armour connects best with consumers through the sport of American football, but participation in that sport is declining. Despite strong growth in cleats, this past football season was disappointing for the industry from a units perspective. Unit sales fell 5%. We think this is a good proxy for football participation, which is suffering due to increased concussion risk awareness. We think declining football participation is a trend which continues and on the margin is a negative for UA.

The Under Armour brand did not test well in our AlphaWise survey of UK consumers

The Under Armour brand has surprisingly low consumer awareness in the U.K. In 2011, Under Armour signed an agreement to become the official uniform provider of the English Premier League's Tottenham Hotspur Football Club, gaining entry to the European soccer market for the first time. At the time, Under Armour said the $80 million deal demonstrated its commitment to growing the Under Armour brand in the U.K. Louise Singlehurst, who covers Adidas for Morgan Stanley in London, led a survey of European consumers asking about their preferences for different athletic footwear brands since little information exists on the subject. One surprise was only 20% of UK consumers said they have heard of Under Armour (**Exhibit 14**).

Exhibit 14: The Under Armour brand has surprisingly low consumer awareness in the U.K.



Source: AlphaWise

Perhaps 20% is the right number for a brand which has been in the country for less than a decade, but maybe not. Our point though is if building awareness is this difficult in other countries, UA may have a hard time meeting the Street's 40% outside-of-North-America 5-year sales CAGR expectation or becoming the world's number two athletic brand in a reasonable amount of time. Notably, UA brand awareness was lower than 20% in the other Western European nations we surveyed. The UK data point was also in contrast to the aided awareness data UA provided at its analyst day, which was strong.

UA is undergoing a CFO/COO transition at a time of increasing organizational and operational complexity

In October, Under Armour announced Brad Dickerson, the company's chief financial and operating officer, is leaving. He is going to become chief financial officer of Blue Apron, the recipe and ingredient delivery service, early next year. Chip Molloy, a Maryland native and U.S. Naval Academy graduate who served 10 years as a Navy fighter pilot will become the new CFO. Molloy served as executive vice president and CFO at PetSmart from 2007 to 2013. In 2011 he was named Institutional Investor's CFO of the Year for specialty retail. He has been a senior advisor for Atlanta-based private equity firm Roark Capital Group since October 2014.

Despite Mr. Molloy's impressive credentials, we believe this transition comes at an inopportune time in the company's history. We don't believe executive transitions necessarily signal anything negative and Under Armour has experienced management-level employee turnover before without any issue. However, Under Armour is becoming a much more complex business. The company was a men's and boys' US apparel wholesale business, but is becoming, a multi-channel, multi-category, dual-gender global enterprise. Major ongoing projects include a company-wide SAP implementation, a large new headquarters build-out, a new connected fitness business, and major store growth and eCommerce growth in multiple geographies at once. Losing a key leader at a time like this is a concern.

EPS changes

Our $0.43 4Q EPS estimate is 4c below consensus

We lower our 4Q estimate from $0.43 due to slow sales in 4Q. Key parts of UA's business are still performing very well, including footwear as discussed earlier and international. We also believe UA's US stores and websites are probably doing fine. The issue is in US wholesale in apparel. We believe to make numbers, UA must deliver +13% growth in US in this area (**Exhibit 15**).

Given weak SportScan numbers, +13% wholesale apparel growth may not play out and this could cause pressure on UA sales and margins. SportScan shows a -2% decline for Under Armour apparel sell-through in 4QTD. We assume UA can take some inventory back and box it up for next year when the weather is supposed to be colder and sell it through its outlet stores. This will create more open-to-buy dollars for retailers and help UA continue to show strong sales growth. Plus, there is a lag between sell-through and orders which impact the income statement. Weak 4Q sell-through may impact 2016 sales more than 4Q15. ASPs have also been under pressure and store checks suggest retailers have been more promotional y/y. This could cause a margin hit, especially if UA's own stores and websites also had to be more promotional y/y.

Exhibit 15: UA must deliver 13% US wholesale apparel growth to meet our expectation

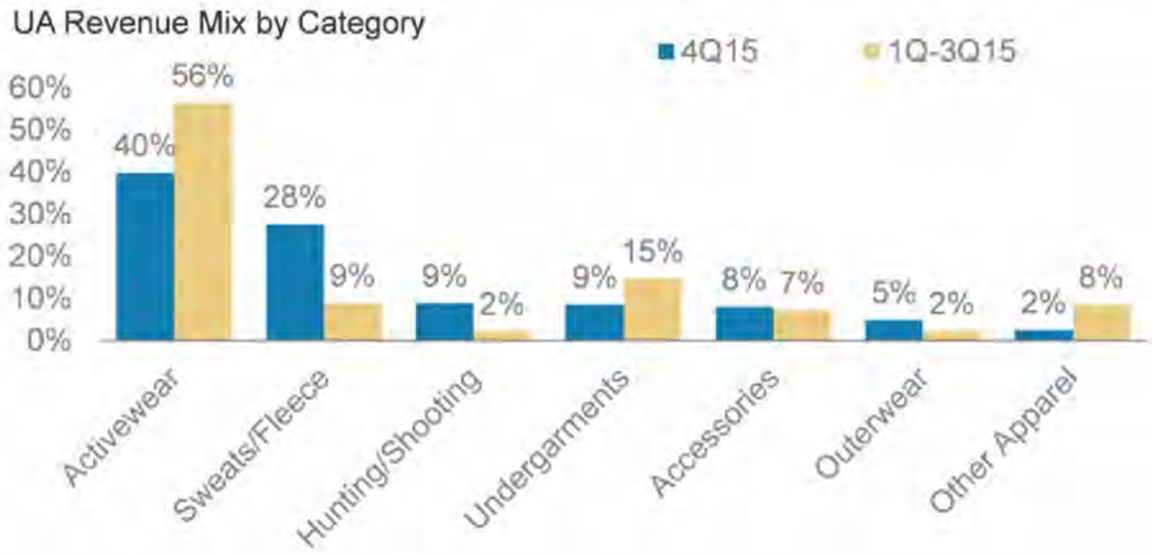
4Q15 Revenue Growth Forecast	
North America	
Total	20%
Wholesale	16%
Wholesale - apparel & other	13%
Wholesale - footwear	111%
Stores	19%
eComm	53%
International	
Total (includes FX)	33%
Total (currency neutral)	50%
UA Inc.	
Total UA	22%

Source: Morgan Stanley Research

Warm weather has played a role in causing an apparel sales slowdown, but we don't think it explains the majority of it. **Exhibit 16** shows how UA's US apparel business mix changes by quarter. In 4Q, it skews more toward sweats/fleece, hunting/shooting, and outerwear. This is not a surprise and likely due in part to weather and other seasonal factors. Outerwear is

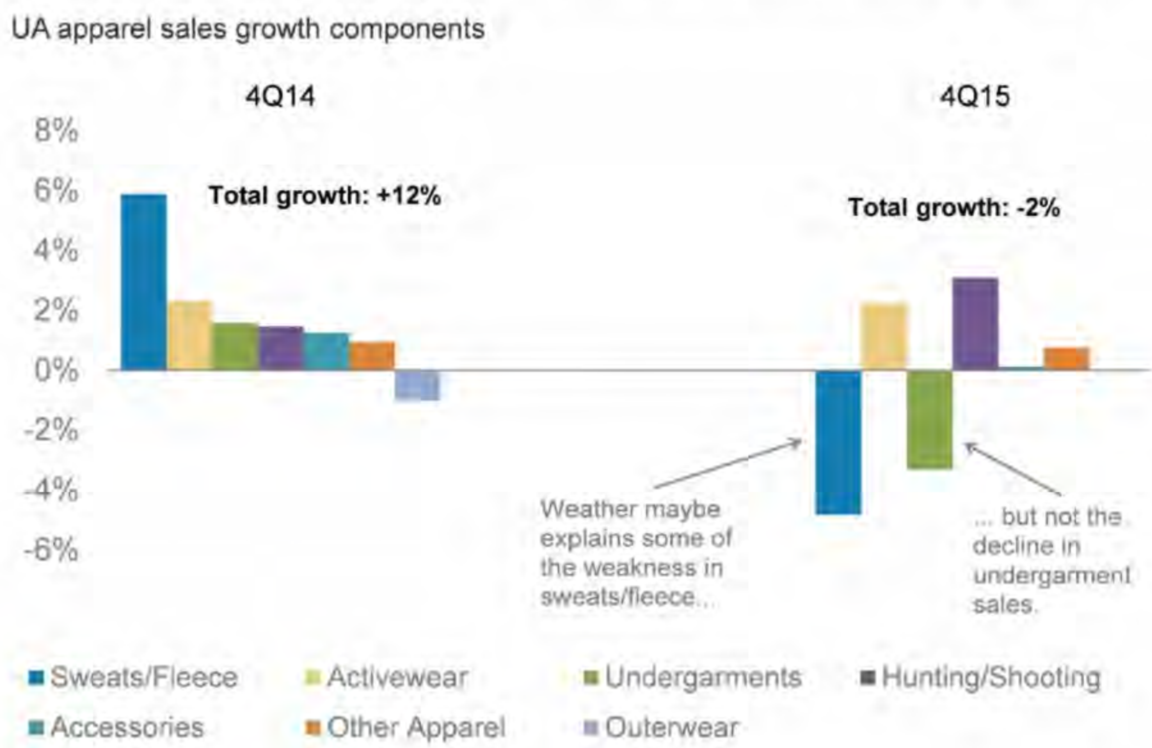
the most weather sensitive category, but only 5% of UA's 4Q mix is from outerwear. Together these categories make up 42% of the mix in 4Q vs. 13% in the other three quarters. **Exhibit 17** shows UA did poorly in sweats/fleece in 4Q, which is 28% of UA's 4Q mix. However, we note this may not be all due to weather. Nike's sweats/fleece business was up 23% with higher ASPs, so weather didn't seem to affect it much. Furthermore, much of UA's 4Q weakness was in undergarments, which is not a big 4Q business and likely not very sensitive to weather. UA actually performed better in outerwear this year than it did last year.

Exhibit 16: Sweats and Fleece are a larger share of sales in 4Q



Source: SSI Data, Morgan Stanley Research

Exhibit 17: Weather was a factor, but likely doesn't explain all of the softness in SportScan UA sales data



Source: SSI Data, Morgan Stanley Research

Foreign exchange is an ongoing problem. Currencies such as the Canadian Dollar, Brazilian Real, Mexican

Peso and Japanese Yen moved against UA in the quarter. Much of the expected hit is already in -100 bps y/y change in gross margin guidance, but the change during the quarter should could add 5-15 bps more headwind unless UA hedges offset more than we imagine.

Our sales estimate is $38M below consensus and our EPS estimate is 9% under the Street's view. Slow apparel sales and FX are the main drivers of our revenue forecast change. We also slightly reduced our margin outlook for the same reason (**Exhibit 18**).

Exhibit 18: UA model changes

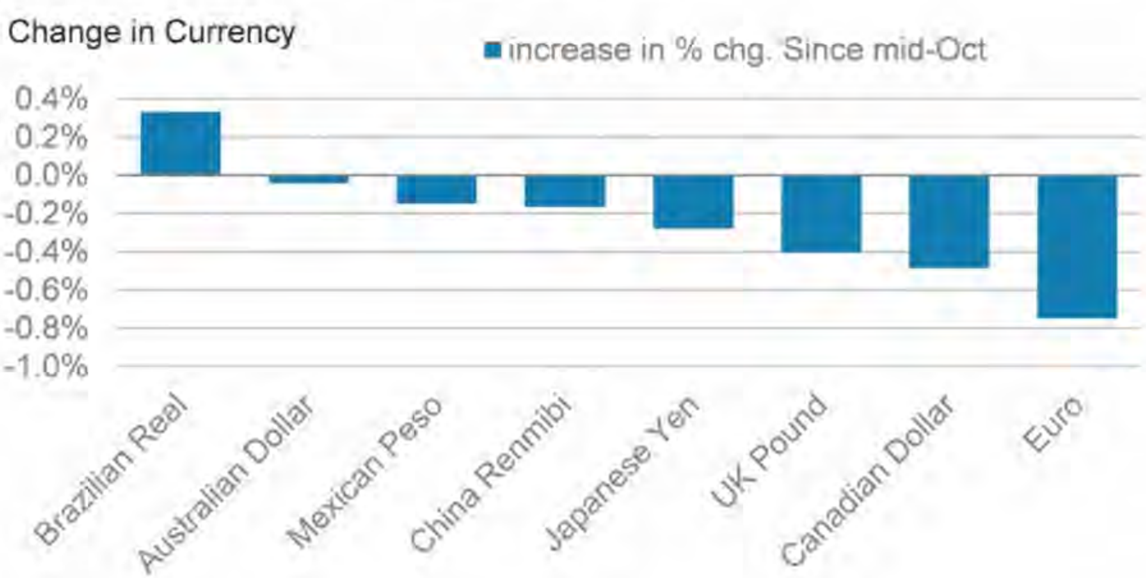
	4QFY15		FY16		FY17	
Metric	**Old**	**New**	**Old**	**New**	**Old**	**New**
Sales growth %	24.8%	21.8%	26.7%	25.8%	24.6%	24.1%
GM %	48.9%	48.7%	48.4%	48.2%	48.6%	48.3%
SGA %	33.1%	33.9%	38.0%	38.3%	38.3%	38.5%
EBIT %	15.7%	14.7%	10.3%	9.9%	10.3%	9.8%
EPS ($)	$0.47	$0.43	$1.35	$1.27	$1.75	$1.60

Source: Morgan Stanley Research

We also lower our FY16 EPS estimates 6%

One important difference is negative FX moves have worsened considerably since UA's last earnings announcement (**Exhibit 19**). We forecasted a 40 bps top-line negative FY16 impact in mid-October. However, now that has doubled and we now see an 80 bps impact. This reduces our gross margin outlook by 20 bps. We assume new hedges will provide an offset, although UA's disclosures suggest little reclassifications from AOCI to net income in future quarters. We also lowered our FY16 organic sales growth outlook. UA gave preliminary FY16 sales growth guidance of 25%, but has beaten its initial sales guidance by an average of 500 bps annually since FY12. We lower our FY16 sales outlook to 25% growth.

Exhibit 19: Currency pressure has intensified since the 3Q15 report



Source: Thomson Reuters, Morgan Stanley Research

We model fundamental risks mentioned above more as bear case scenarios

Our long term sales growth outlook has declined by roughly $100M, 1.3% lower than our previous forecast. We don't expect women's apparel sales or footwear sales to slow dramatically. Under Armour remains one of retail's strongest brands in one of the mall's best categories. Plus, our experience is no industry data source is perfectly correlated to a company's results, so we still would like see more evidence of risks becoming reality before more significantly reducing our long-term EPS estimates. In a bear case however, we think long-term sales (FY18) fall $830M short of our base case (11% below our base case. This also equates to Under Armour achieving only 80% of the growth we forecast in our base case). This bear case results mainly from US women's apparel and US footwear sales not living up to expectations. Secondly, international sales also slow more than anticipated.

Valuation likely begins to look stretched if sales slow

We see an unfavorable bull/bear risk/reward. The old thesis was P/Es don't really matter because if UA will become a $50B market cap company a few decades from now, it still pays to buy it today at a high P/E when it is only a $15B company. We think that line of thinking only works as long as Under Armour is executing all parts of its sales growth strategy as expected. If the story begins to change, the P/E could fall significantly because it may become reasonable to think UA becomes "only" a $25B company, similar to adidas, many years from now. We think the P/E could shrink to 29x FY17 EPS in a bear case.

In our base case, we still view UA as one of retail's best growth stories, just slightly less attractive than before. This justifies our 42x P/E. The basic logic of UA becoming one of the world's top athletic brands still holds. Our discounted cash flow analysis computes a $62 fair value and we back into the P/E from this calculation. Our analysis assumes an 8.5% cost of equity, 4% long-term growth rate and 20% long-term ROE. The cost of equity is 50 bps higher than our previous iteration. The difference is due to market pricing of risk. A key aspect of these assumptions is because the long-term growth prospects are such a big part of the valuation, UA is very sensitive to small changes in the long-term outlook. 80% of our price target change is due to changes in our assumptions. The other 20% is due to EPS estimate changes.

On a relative basis, UA looks very expensive. Our What's In The Price analysis shows 77% of UA's stock price value comes from long-term (beyond three years) growth expectations. This compares to a 12% industry median. If the market's perception of UA's long-term growth outlook changes, we think this difference could narrow significantly. UA trades at a PEG ratio of 3.8x vs. a 1.7x group median. We think UA deserves a premium for its long-term growth opportunity, but its PEG is even 2.1x above Nike's. We think the PEG could normalize in a bear case.

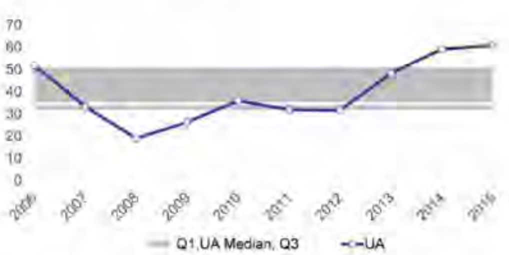
UA even looks expensive vs. its own history. UA has historically traded at 47x FY1 EPS. In 2013, when it became clear UA may capitalize on the international, footwear, and women's apparel opportunities, the P/E expanded greatly (Exhibit 20 and Exhibit 21).

Exhibit 20: Key UA sales driver improvements (footwear, women's apparel, international, and connected fitness) over the past few years have pushed UA's peak to new peaks

Source: Morgan Stanley Research

On average over the last 10 years, 75% of UA's stock price value has come from long-term (beyond three years) growth expectations (**Exhibit 22**). So today's 77% is above average. We think this suggest UA is expensive, because as the company grows, the value of the stock should naturally shift more toward the next three years rather than the outer years. In other words, we don't think UA has as much growth in front of it (in terms of growth rate) than it did ten years ago. If questions emerge about the growth trajectory, we think UA's P/E could revert back toward its mean.

Exhibit 21: UA's P/E looks high versus its own history. Even with the recent sell-off in the stock, its P/E is still near peak.



Source: Thomson Reuters, Morgan Stanley Research

Exhibit 22: What's in the price? UA's long-term growth as a % of current share price has averaged 75%. Today it is 77%.

Source: Thomson Reuters, Morgan Stanley Research

Bull and bear cases

The bull case is 4Q15 weakness was mostly about weather plus FX and the fundamental story is still very strong and sales growth will reaccelerate next year

Other key factors which could drive the stock higher and improved connected fitness results and higher margins. If UA is able to manage through this period without making a significant cut to numbers, the stock's P/E probably remains high. With so few pure growth stocks available, we think investors will be willing to stick with UA unless the story definitely changes. From our conversations, we sense a long line of investors who would like to buy UA on a pullback and this could keep the stock high. If growth accelerates, we think the stock could retrace back above $100 and head towards $115. Better connected fitness results or higher EBIT margins would be total surprises and cause the market revise its long-term earning projections higher. We see a

25% 5-year EPS CAGR in this scenario. We think the multiple could return to 60x+ FY17 EPS of $1.85 (2.2x PEG) and possibly go higher.

The bear case is UA struggles in women's apparel and footwear. Plus, it has trouble beating adidas in Europe.

In this scenario, essentially Under Armour is no longer perceived as the ideal growth story and the multiple falls significantly. Part of what is implied in the sections above is at some point in the not-too-distant future, Under Armour needs to take share from Nike if it is going to continue its strong growth. In a bear case, the company has a difficult time doing that and not only does sales growth slow, but also margins also contract as UA needs to keep investing in the brand to keep up with Nike and therefore can't avoid operational deleverage. Sales growth slows to 21% annually and margins drift 100 bps lower over four years. Overall EPS grows at a 16% 5-yr. CAGR in this scenario. This drives major P/E contraction. We anticipate 29x FY17 EPS of $1.40 (a 1.7x PEG, in-line with the industry average).

What would change our view

If sales growth turns out to be stronger in 2016 and pricing improves, it could change our view. If weakness in women's apparel turns out to be short lived, we would most likely view that positively. Our other main concern is Under Armour is not managing its brand image the same way it used to. It may be willing to compromise somewhat on price and/or quality in order to drive sales growth. If these fears prove unfounded, we may reconsider our view. For example, if UA raises Curry basketball footwear prices, we would take that as a good sign. Essentially, if we can remove doubts that have recently crept into our thinking and return to viewing Under Armour as eventually becoming the number two and possibly number one global athletic wear brand over time, it may change our view.

We forecast a 21% 5-yr EPS CAGR

UA is a long-term secular growth story

Under Armour's EPS algorithm is 23% sales growth, slight operating margin improvement and a better tax rate (Exhibit 23). As a rapidly emerging global activewear brand, Under Armour has a significant long-term growth opportunity ahead of it. We expect it to benefit from the continued consumer trend towards heath and fitness (**Global Insight: Very Bullish Five-Year Outlook**). It should be able to maintain 20%-plus revenue growth over the next several years due to new product innovation, targeted international growth, increased domestic wholesale distribution, store expansion, and the connected fitness business. We have confidence in management's ability to invest in the business and execute accordingly over time.

Exhibit 23: We model a 21% 5-yr. EPS CAGR based on 23% sales growth, slight operating margin contraction and a better tax rate.

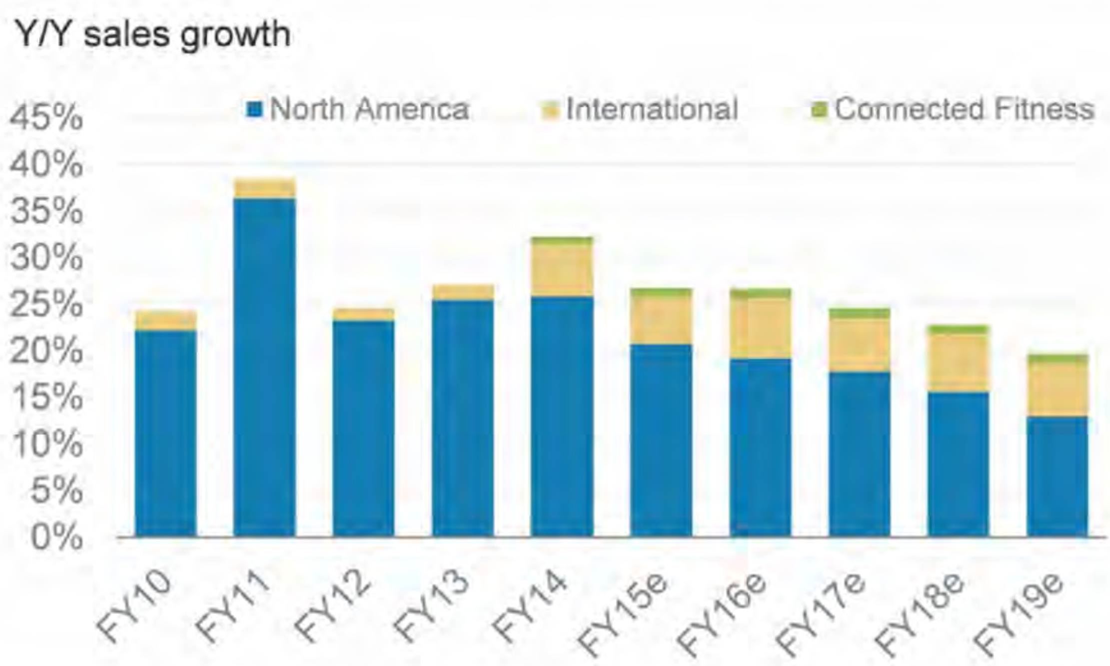
Source: Morgan Stanley Research estimates

Our 23% annual sales growth forecast is derived from a combination of regional, channel, and category drivers

The Unites States remains UA's key market

We forecast a 19% five year domestic CAGR. We expect the athletic footwear and apparel category/athleisure trend to remain strong and continuing Under Armour brand momentum. This should help generate strong comps with existing wholesale partners. We model the US market contributing ~70% of UA's total growth through FY19 (**Exhibit 24**).

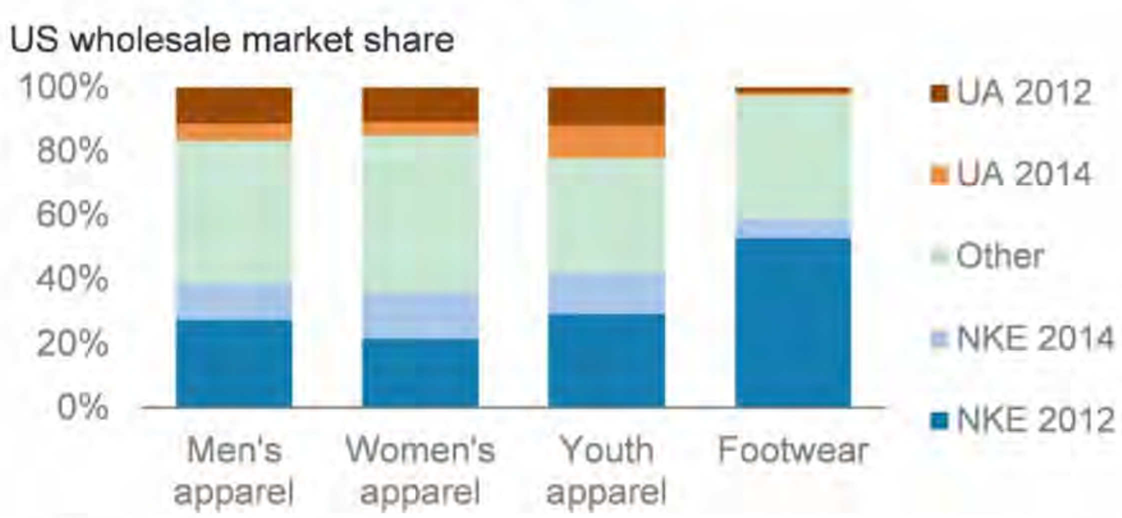
Exhibit 24: North America remains UA's key market. We model the US market contributing ~70% of UA's total growth through FY19.



Source: Company Data, Morgan Stanley Research

Secondly, we expect new category growth. Besides comp growth, we project UA grows significantly in footwear. The category makes up just 14% of the company's sales mix. UA has just a low-single-digit footwear market share, but it is growing. UA's 2015 basketball footwear market success proved it can continue taking athletic footwear market share. Women's apparel is another key driver. Under Armour also highlighted Golf, Basketball, Running, and Soccer as newer categories where it will attack. **Exhibit 25** shows UA still has room to gain share before it needs to take it from Nike to grow. Given essentially all of UA's growth to date has come from these competitors, we see no reason why share gains can't continue. Plus, we see no structural reason UA's share may have reached an upper limit. However, at some point in the future it will likely have to take share from Nike in order to continue strong growth rates. That point may be coming sooner rather than later and we are not sure if UA can accomplish this.

Exhibit 25: UA and NKE continue to co-exist and gain share



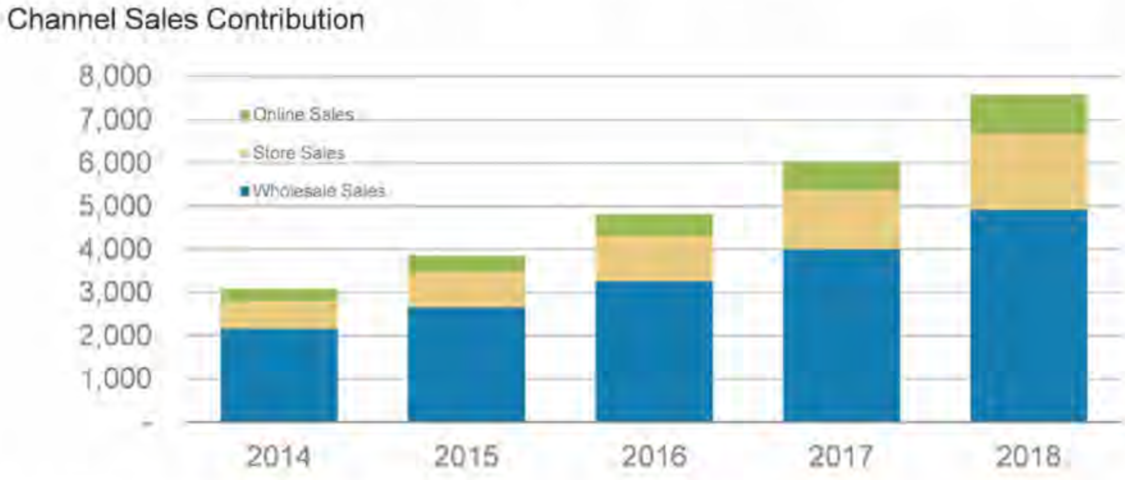
Source: Sportscan, Morgan Stanley Research

Lastly, UA still has distribution expansion opportunities. We anticipate UA increases its US mall distribution. For example, we believe UA is in less than 50% of Foot Lockers today and those stores have only a small amount of UA product. With UA moving into the sportswear market and looking to expand in footwear, we think UA's FL presence will increase. Its new Armoury shop-in-shop test concept at Champs, owned by FL, demonstrates how it may expand in the mall. A separate factor is UA likely opens more owned "Brand Houses" in US malls. We estimate UA will continue grow its owned North American square footage at a 9% CAGR. We estimate this implies ~1M square feet of sales space domestically and nearly $600M in domestic store sales from $400M+ currently.

We expect a 40% five year international sales CAGR

Under Armour is in early stages of growing internationally and should expand its tiny 0.3% international share. We model $1.3B in 2018 international revenues by 2018, growing from $279 in 2014. The company's 60% foreign sales CAGR since 2012 established it can grow outside the US. Vast potential remains in our view given UA still only has a 0.3% share outside North America. UA's direct-to-consumer channel should enable fast growth. We expect its stores and websites to deliver nearly 40% of the company's growth through 2019 vs 34% since 2010 (**Exhibit 26**, US and Int'l combined). The company is focused on expanding square footage, particularly through partner stores which are expected to be 70% of the total by 2018. We believe this is an effective way to build brand awareness in foreign markets and grow sales both in-store and online.

Exhibit 26: We expect to direct-to-consumer to grow as a share of sales as the company expands globally



Source: Company Data, Morgan Stanley Research

Under Armour's fast pace of market entry is a major international growth driver. Under Armour plans to enter several countries over the course of the next few years, which will open an incremental $84B market opportunity across Europe, Asia, and Latin America. In **Exhibit 27**, we illustrate how rapidly UA is entering new markets. We believe UA's pace of market entry, combined with its very small market share and brand strength, makes our nearly 50% CAGR forecast achievable. Our outlook assumes UA reaches just 2% share in the markets outside of North America by 2018 (compared to 13% and 14% currently for Nike and Adidas).

Exhibit 27: Under Armour's fast pace of market entry is a major international growth driver

Source: Under Armour Analyst Day, Morgan Stanley Research

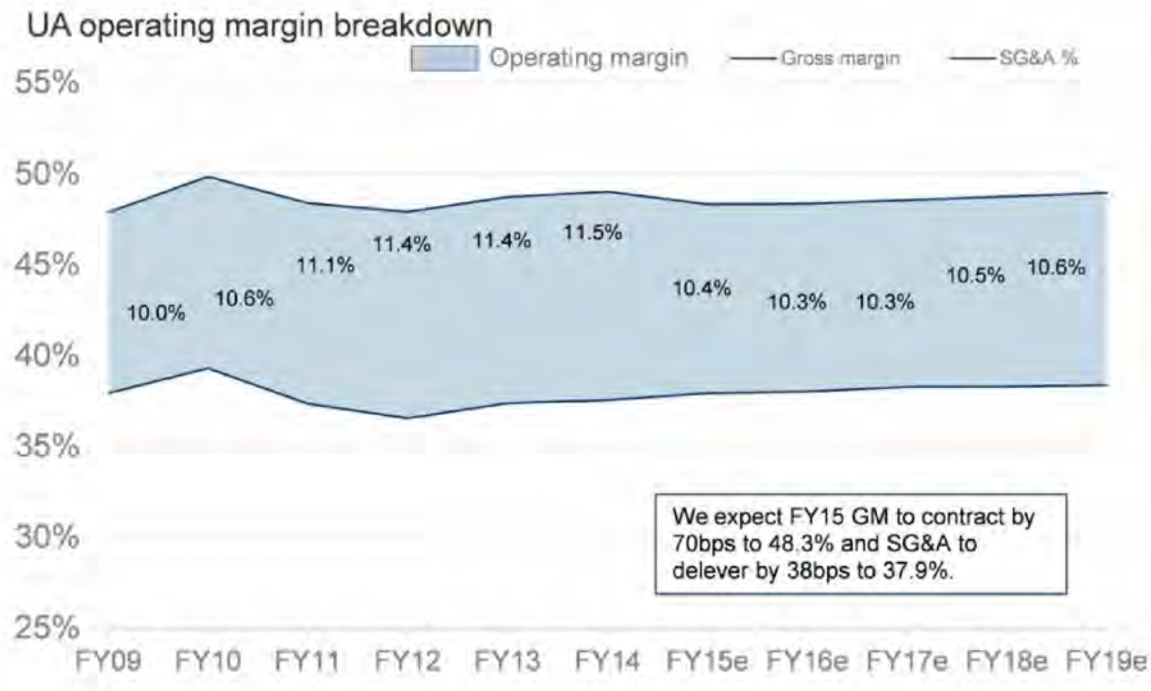
Connected fitness likely helps UA sell more footwear and apparel, plus generates its own revenue stream

Connected fitness should add $200M by 2018, but also serve as an effective marketing vehicle for UA's apparel and footwear business. It should help not only establish deeper connections to US customers, but also help introduce the brand to international consumers. We believe growth in ads and services remains a significant longer-term opportunity for the business as the network grows.

We see operating margin moving to 10.6% by 2019, from 10.4% in FY15

Under Armour requires heavy investment in its business to fuel its growth. Gross margin should rise over time, but footwear and international growth likely negatively impact the mix, plus foreign exchange pressures create another drag. Together, these factors probably keep gross margin flattish over the next few years (**Exhibit 28**). Mix will hurt, but these businesses should get operating leverage as they scale. We expect SG&A to also remain flattish over the next few years despite strong sales growth as the company invests aggressively in growing footwear, expanding international, and developing support areas of the business. Marketing likely can also fluctuate as a percentage of sales and be a potential source of deleverage. Increased capital expenditures also add depreciation expenses over time. One offset is corporate expenses, which should leverage as sales grow. Please click **Financial Model** for more detail.

Exhibit 28: We see operating margins remaining capped around 10.6% due to SG&A investment

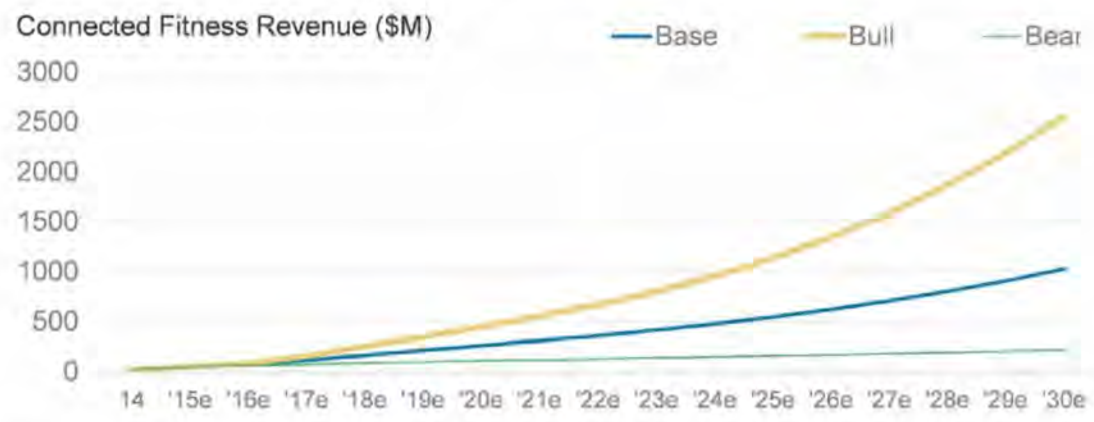


Source: Company Data, Morgan Stanley Research estimates

We forecast a 25% 5-year bull case EPS CAGR

Our bull case scenario assumes more rapid international growth and sustained North American momentum. This forecast assumes a 25% revenue CAGR with incremental leverage from a lower tax rate given the pace of international growth. We assume a 22% North American revenue CAGR, an annual 53% growth rate in the rest of the world, while connected fitness delivers $250M in revenue by 2018 and is on a path to becoming a $2.5B business in 2030 (**Exhibit 29**). Similar to the base case, we assume EBIT margins rise slightly as UA gains some operating leverage. We estimate FY17 EPS of $1.85. *Please see our bull case model in **Exhibit 40** for more.*

Exhibit 29: Connected Fitness upside revenue potential is large in our view



Source: Company Data, Morgan Stanley Research

We forecast a 16% 5-year bear case EPS CAGR

Our bear case assumes women's US apparel sales growth slows and US footwear sales are strong, but weaker than expected. Connected fitness also fails to deliver big growth. This forecast assumes a 21% revenue CAGR. We assume a 18% North American revenue growth rate, an annual 36% growth rate in the rest of the world, while connected fitness delivers only ~$100M in revenue by 2018. We assume EBIT margins fall to just above 8% as the rate of required investments outpaces the sales growth rate. We estimate FY17 EPS of $1.40. *Please see our bear case model in **Exhibit 41** for more.*

Discounted Cash Flow Analysis

Exhibit 30: Our discounted cash flow analysis suggests a $62 fair value

Morgan Stanley | Under Armour DCF (USD millions)	current FY F2015e	F2016e	F2017e	F2018e	F2019e	F2020e	F2021e	F2022e	F2023e	F2024e	F2025e	TY - 2026
Discounted cash flow analysis												
Operating revenue	$3,883	$4,883	$6,060	$7,349	$8,703	$10,234	$11,947	$13,845	$15,927	$18,187	$20,613	$21,438
% change Y/Y	NA	25.8%	24.1%	21.3%	18.4%	17.6%	16.7%	15.9%	15.0%	14.2%	13.3%	4.0%
Income (loss) from operations	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
Free Cash Flow	**($723)**	**($291)**	**($198)**	**$3**	**$194**	**$225**	**$355**	**$513**	**$700**	**$860**	**$1,100**	**$1,144**
% of revenue	-19%	-6%	-3%	0%	2%	2%	3%	4%	4%	5%	5%	[illegible]

Fair value	
PV of FCF	956
NPV of terminal value	13,239
Enterprise value	**14,195**
(-) Debt	(655)
(+) Cash	270
Equity value	**13,809**
Fully Diluted Shares (for valuation)	220
Equity value per share	**$62.65**
Implied terminal EBITDA multiple	25.7x

Equity Value: WACC vs. Perpetual Growth Rate							
	6.9%	**7.4%**	**7.9%**	**8.4%**	**8.9%**	**9.4%**	**9.9%**
3.50%	17,322	14,471	12,302	10,604	9,244	8,135	7,217
4.00%	20,219	16,521	**13,809**	11,746	10,130	8,836	7,781
4.50%	24,327	19,279	15,761	13,182	11,219	9,681	8,450

Equity Value per Share: WACC vs. Perpetual Growth Rate							
	6.9%	**7.4%**	**7.9%**	**8.4%**	**8.9%**	**9.4%**	**9.9%**
3.50%	79	66	56	48	42	37	33
4.00%	92	75	**63**	53	46	40	35
4.50%	110	87	72	60	51	44	38

DCF Valuation Assumptions	
Valuation Date	Jan-17
Cost of Equity	8.5%
Cost of Debt	3%
Marginal Tax-Rate	40%
Long-Term Debt / Total Cap	[illegible]
WACC	**7.9%**
Perpetual Growth Rate	4%

Source: Company data, Morgan Stanley Research

Our discounted cash flow analysis suggests a $62 fair value. This analysis uses 10 years of explicitly forecasted cash flows. After incorporating our new EPS estimates into the analysis and tweaking a few assumptions, our UA intrinsic value estimate falls to $62. The 33% decline in our price target is 80% due to the increase in cost of capital with the remain 20% due to our changes in earnings estimates. Because so much of UA's value is in long-term growth expectations, small changes in long-term growth assumptions can have big impacts on valuation (Exhibit 2). Exhibit 30 also shows sensitivities to our WACC and perpetual growth rate assumptions. WACC and perpetual growth rate assumptions are as follows:

- 8.5% cost of equity -This estimate is based on current market rates. The risk free rate is 2.24%, the required market rate of return used is 9.4%. The beta is 0.8. The risk free rate and required market rate of return are higher than our last note and drive the change vs. our 8.0% assumption prior.
- 4% perpetual growth rate - In addition to the cost of equity, this variable has the most impact on valuation. UA likely still has substantial growth beyond our 10 years of

explicitly forecasted cash flows. We have a very bullish view on the global sales outlook for athletic apparel and footwear. We believe 4% capture several more years of rapid growth.

The 39x FY2 P/E we use to value UA is backed-into from this model. Over the past ten years, UA has typically traded around 35-45x. Today, 77% of current valuation lies in growth expected beyond the next three years (**Exhibit 32**). This is at an above average level. **Exhibit 22** shows 77% is above the 76% long-term average. We believe a correction in market expectations around UA's long-term growth assumption could cause UA's P/E to contract towards the historical mean or below (**Exhibit 31**).

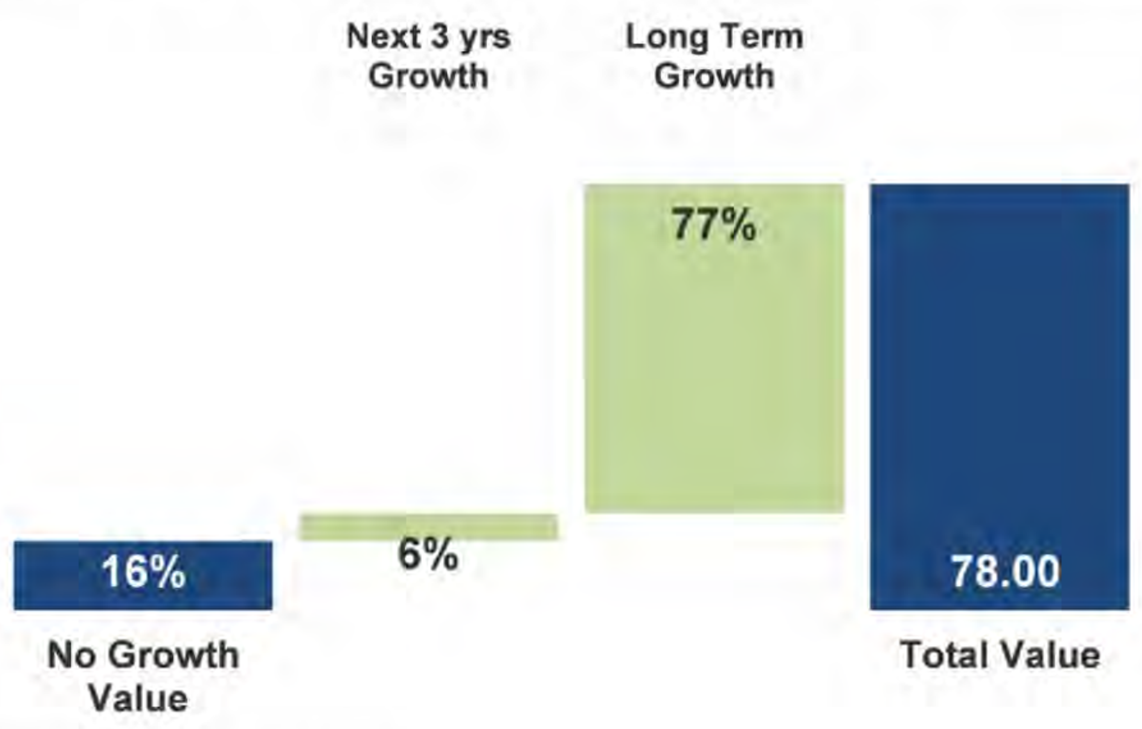
Exhibit 31: UA's current 57x FY17 EPS is above the 43x 5-yr average far above 38x 10-yr average

Source: Thomson Reuters, Morgan Stanley Research

Relative value analysis

UA's value is predominantly weighted towards out years. 77% of UA's value lies in the implied estimates beyond the next 3 years (**Exhibit 32**) reflecting the significant long-term opportunity and expectations for the company. This is at the top of our 21 stock coverage universe where the low-end of the range is negative (**Exhibit 33**). This suggests the stock is expensive relative to peers. We think the premium is somewhat justified by UA's long-term growth opportunity, but could contract if the market starts to question the opportunity.

Exhibit 32: Our "What's in the price?" analysis suggests that 77% of the value in UA is based on long-term growth. This is at the top of our coverage universe.



Source: Thomson Reuters, Morgan Stanley Research

Exhibit 33: UA's stock price implies 77% of its value comes from growth expected to occur beyond three years. 77% is the highest in the group and above the median of 12%.

Source: Thomson Reuters, Morgan Stanley Research

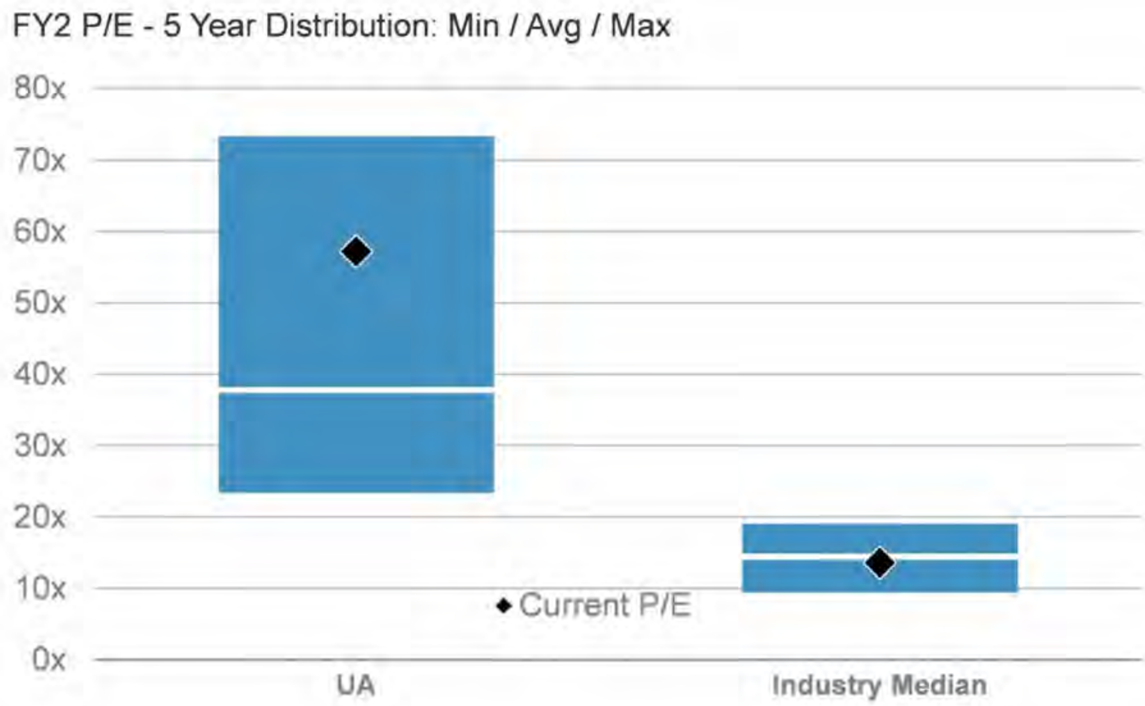
Our PEG ratio analysis also suggests UA is expensive, but at least partially explained by its growth potential. Exhibit 34 shows UA has the best long-term EPS growth story among industry peers based on our estimates, but is very expensive. We think this is consistent with our "What's in the price?" analysis and underscores our point that stock is expensive relative to peers and the premium could decline if the story changes.

Exhibit 34: FY2 P/E vs. 4-year forward EPS CAGR

Source: Thomson, Morgan Stanley Research Estimates

Looking at P/E multiples, UA has the highest valuation by far (**Exhibit 35**). Interestingly, UA's valuation is still near peak, even though the average P/E for peers is not below average. UA was one of only two stocks in our coverage universe last year that experienced P/E expansion (the other was Nike). The average peer P/E was down 18% in 2015. We think UA's P/E could correct like peers' have if the market starts to question the long-term growth story. Please click **Valuation vs. peers** for more stats.

Exhibit 35: UA is trading near its peak P/E even though the industry median is actually below its 5-year average



Source: Thomson Reuters, Morgan Stanley Research

Valuation vs. peers

Exhibit 36: Branded Apparel & Footwear Valuation Sheet (ordered by preference)

Ticker	MS Rating	Price 1/8/2016	Mkt. ($ MM)	Price Target	Return to PT	YTD Perf	EPS 2014A	EPS 2015E	EPS 2016E	P/E 2014A	P/E 2015E	P/E 2016E	'14-'18 Growth	PEG 2015E	FCF Yield 2015E	FCF Yield 2016E	EV/EBITDA 2015E	EV/EBITDA 2016E	Dividend Yield (FY1)
SKX	O	27.94	4,244	$49	77%	-8%	0.91	1.55	2.25	30.8	18.0	12.4	32.8	0.5	3.2%	7.0%	9.3	7.1	NA
NKE	O	59.85	102,098	$70	16%	-4%	1.85	2.16	2.58	32.3	27.7	23.2	16.2	1.7	3.2%	3.2%	18.1	15.7	1.0%
HBI	O	30.44	11,927	$36	18%	3%	1.41	1.67	1.90	21.5	18.3	16.0	15.3	1.2	3.5%	6.2%	14.0	12.8	1.4%
GCO	O	58.23	1,286	$81	39%	2%	4.74	4.59	5.65	12.3	12.7	10.3	11.8	1.1	4.2%	8.7%	5.0	4.4	NA
PSG	O	8.72	397	$21	135%	-9%	0.99	1.05	0.73	8.8	8.3	12.0	2.8	2.9	-1.1%	16.5%	6.8	9.1	NA
PLCE	O	63.20	1,262	$89	41%	14%	3.05	3.52	3.95	20.7	18.0	16.0	14.3	1.3	5.8%	8.3%	6.2	5.8	0.9%
RL	E	104.56	8,962	$123	17%	-6%	7.88	7.24	7.75	13.3	14.4	13.5	5.2	2.8	5.0%	6.3%	6.8	6.4	1.8%
FL	E	64.44	8,845	$78	21%	-1%	3.58	4.26	4.80	18.0	15.1	13.4	13.3	1.1	5.2%	6.5%	7.5	6.8	1.6%
PVH	E	71.44	5,855	$98	37%	-3%	7.30	6.99	6.50	9.8	10.2	11.0	3.1	3.3	7.8%	9.2%	7.9	8.2	0.2%
CAL	E	25.70	1,123	$32	25%	-4%	1.72	1.98	2.05	15.0	13.0	12.5	8.2	1.6	4.6%	4.8%	7.4	7.2	1.0%
EXPR	E	17.49	1,445	$21	20%	1%	0.81	1.40	1.57	21.6	12.5	11.2	23.0	0.5	6.6%	7.5%	4.3	4.0	NA
VSTO	E	47.75	2,975	$45	-6%	7%	2.35	2.32	2.70	20.4	20.6	17.7	8.9	2.3	5.1%	6.6%	10.6	9.7	NA
FINL	E	16.63	766	$19	11%	-8%	1.67	1.22	1.85	10.0	13.7	9.0	5.2	2.6	-2.7%	7.8%	5.4	4.1	2.1%
WWW	E	16.41	1,688	$18	10%	-2%	1.63	1.43	1.49	10.1	11.5	11.0	1.9	6.2	8.9%	8.7%	7.8	7.8	1.5%
DECK	E	46.81	1,513	$50	7%	-1%	4.67	4.26	3.90	10.0	11.0	12.0	(0.1)	NM	8.1%	8.3%	4.8	5.2	NA
SHOO	E	30.70	1,921	$31	-1%	2%	1.76	1.90	2.17	17.5	16.1	14.1	9.8	1.6	6.0%	6.0%	10.2	9.3	NA
SKUL	E	4.53	129	$5	10%	-4%	0.27	0.38	0.46	17.0	12.0	9.9	17.9	0.7	-3.9%	1.7%	3.1	2.9	NA
VFC	U	59.45	25,344	$58	-2%	-4%	3.08	3.16	3.39	19.3	18.8	17.5	8.1	2.3	4.3%	5.1%	12.4	11.8	2.0%
COLM	U	49.68	3,494	$42	-15%	2%	1.94	2.34	2.50	25.6	21.3	19.8	12.3	1.7	3.6%	4.7%	11.2	10.7	1.3%
UA	U	78.00	16,834	$62	-21%	-3%	0.95	1.00	1.27	82.4	77.7	61.5	20.5	3.8	-1.1%	-1.8%	35.2	28.7	NA
DSW	U	24.00	2,079	$19	-23%	1%	1.69	1.48	1.58	14.2	16.2	15.2	(0.4)	NM	8.7%	6.6%	6.6	6.2	3.3%
Branded Apparel Avg.						**-1%**	**$2.67**	**$2.72**	**$2.94**	**20.0x**	**18.4x**	**16.3x**	**9.9**	**2.2x**	**4.1%**	**6.5%**	**9.6**	**8.8**	**1.5%**
Branded Apparel Med.						**-1%**	**1.80**	**2.07**	**2.34**	**17.2**	**14.8**	**13.5**	**9.3**	**1.7**	**4.8%**	**6.5%**	**7.5**	**7.5**	**1.5%**

Source: Thomson Reuters, Morgan Stanley Research estimates

Exhibit 37: Branded Apparel & Footwear Fundamentals Sheet

	CAL	COLM	DECK	DSW	EXPR	FINL	FL	GCO	HBI	NKE	PLCE	PSG	PVH	RL	SHOO	SKUL	SKX	UA	VFC	VSTO	WWW
Returns																					
ROIC	13%	11%	18%	15%	12%	14%	20%	11%	22%	26%	11%	6%	9%	14%	16%	6%	14%	15%	20%	8%	10%
ROE	15%	11%	18%	15%	13%	14%	21%	11%	44%	30%	11%	11%	14%	16%	17%	5%	13%	17%	23%	9%	19%
ROE Breakdown																					
Net profit margin	2%	4%	8%	7%	5%	4%	6%	4%	7%	10%	4%	7%	7%	9%	10%	0%	2%	5%	10%	7%	5%
Asset turnover	2.2	1.2	1.6	1.7	1.8	2.0	2.0	1.8	1.1	1.5	1.8	0.8	0.7	1.3	1.5	1.3	1.5	1.7	1.2	0.8	1.1
Equity multiplier	2.3	1.3	1.2	1.4	2.4	1.6	1.4	1.6	3.6	1.7	1.6	2.6	2.6	1.6	1.3	1.3	1.5	1.5	1.7	1.7	2.9
Profitability																					
EBITDA growth	13%	46%	8%	-8%	-25%	9%	18%	0%	25%	13%	-9%	-25%	-9%	-9%	-15%	172%	85%	35%	10%	-2%	9%
EBITDA margin	7%	12%	15%	13%	10%	9%	13%	9%	16%	17%	9%	12%	14%	16%	14%	9%	11%	14%	17%	15%	12%
Operating income margin	5%	9%	12%	10%	6%	7%	11%	6%	14%	14%	6%	10%	11%	12%	13%	5%	9%	11%	15%	12%	10%
Net income growth	23%	45%	6%	-11%	-41%	1%	21%	1%	45%	17%	-10%	-30%	5%	-14%	-15%	-993%	153%	28%	11%	-4%	16%
Credit																					
Net debt/EBITDA	0.7	(1.7)	(0.9)	(0.7)	(0.7)	(0.4)	(0.9)	(0.5)	1.8	(0.8)	(1.4)	4.2	2.6	(0.3)	(0.4)	(1.7)	(1.3)	(0.7)	0.2	1.5	2.1
Total debt/EBITDA	1.1	0.1	0.0	0.0	0.9	0.1	0.1	0.1	2.1	0.2	0.0	4.7	3.0	0.4	0.0	0.0	0.5	0.7	0.7	2.1	2.8
Net debt/equity	0.4	0.0	0.0	0.0	0.4	0.0	0.1	0.0	1.3	0.1	0.0	1.1	0.8	0.1	0.0	0.0	0.1	0.2	0.3	0.4	1.0
Total debt/total assets	16%	1%	0%	0%	16%	1%	4%	2%	35%	5%	0%	45%	32%	9%	0%	0%	7%	14%	14%	23%	36%
Other																					
CapEx/Sales	4%	3%	5%	4%	5%	5%	3%	4%	1%	3%	4%	3%	3%	5%	1%	4%	2%	5%	2%	2%	1%

Source: Thomson Reuters, Morgan Stanley Research estimates

Financial Model

Exhibit 38: UA Annual Income Statement

Annual Income Statement	2007A	2008A	2009A	2010A	2011A	2012A	2013A	2014A	2015E	2016E	2017E	2018E
Revenues	$ 606.6	$ 725.2	$ 856.4	$ 1,063.9	$ 1,472.7	$ 1,834.9	$ 2,332.1	$ 3,084.4	$ 3,882.7	$ 4,882.9	$ 6,060.4	$ 7,348.7
Cost of Sales	$ 301.5	$ 370.3	$ 446.3	$ 533.4	$ 759.8	$ 955.6	$ 1,195.4	$ 1,572.2	$ 2,008.5	$ 2,531.5	$ 3,133.2	$ 3,788.2
Gross Profit	$ 305.0	$ 354.9	$ 410.1	$ 530.5	$ 712.8	$ 879.3	$ 1,136.7	$ 1,512.2	$ 1,874.2	$ 2,351.4	$ 2,927.2	$ 3,560.5
Selling, general and administrative expenses	$ 218.8	$ 278.0	$ 324.9	$ 418.2	$ 550.1	$ 670.6	$ 871.6	$ 1,158.3	$ 1,482.9	$ 1,868.7	$ 2,334.3	$ 2,830.5
Income (loss) from operations	$ 86.3	$ 76.9	$ 85.3	$ 112.4	$ 162.8	$ 208.7	$ 265.1	$ 354.0	$ 391.3	$ 482.8	$ 592.9	$ 730.0
Interest expense, net	$ -	$ (0.9)	$ (2.3)	$ (2.3)	$ (3.8)	$ (5.2)	$ (2.9)	$ (5.3)	$ (14.7)	$ (27.1)	$ (27.8)	$ (28.5)
Income before income taxes	$ 89.0	$ 69.9	$ 82.4	$ 108.9	$ 156.9	$ 203.4	$ 261.0	$ 342.2	$ 368.3	$ 455.7	$ 565.2	$ 701.5
Income tax expense (benefit)	$ 36.5	$ 31.7	$ 35.6	$ 40.4	$ 59.9	$ 74.7	$ 98.7	$ 134.2	$ 147.0	$ 177.3	$ 214.8	$ 263.1
Adjusted earnings	$ 52.6	$ 38.2	$ 46.8	$ 68.5	$ 96.9	$ 128.8	$ 162.3	$ 208.0	$ 221.4	$ 278.4	$ 350.4	$ 438.4
Extraordinary Items, Net of Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
GAAP earnings	$ 52.6	$ 38.2	$ 46.8	$ 68.5	$ 96.9	$ 128.8	$ 162.3	$ 208.0	$ 221.4	$ 278.4	$ 350.4	$ 438.4
Accretion of and cumulative preferred dividends on Series A Preferred Stock	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Income Available for Comon Shareholders	$ 52.6	$ 38.2	$ 46.8	$ 68.5	$ 96.9	$ 128.8	$ 162.3	$ 208.0	$ 221.4	$ 278.4	$ 350.4	$ 438.4
Adjusted Diluted EPS	$ 0.26	$ 0.19	$ 0.23	$ 0.33	$ 0.46	$ 0.61	$ 0.75	$ 0.95	$ 1.00	$ 1.27	$ 1.60	$ 2.00
Diluted Shares	199.8	201.4	202.6	205.1	210.1	212.8	216.0	219.7	220.4	219.4	219.4	219.4
Margin Analysis												
Gross Margin	50.3%	48.9%	47.9%	49.9%	48.4%	47.9%	48.7%	49.0%	48.3%	48.2%	48.3%	48.5%
Expense Ratio	36.1%	38.3%	37.9%	39.3%	37.4%	36.5%	37.4%	37.6%	38.2%	38.3%	38.5%	38.5%
Operating Margin	14.2%	10.6%	10.0%	10.6%	11.1%	11.4%	11.4%	11.5%	10.1%	9.9%	9.8%	9.9%
Tax Rate	41.0%	45.3%	43.2%	37.1%	38.2%	36.7%	37.8%	39.2%	39.9%	38.9%	38.0%	37.5%
Year-Over-Year Growth												
Sales	NA	19.6%	18.1%	24.2%	38.4%	24.6%	27.1%	32.3%	25.9%	25.8%	24.1%	21.3%
SG&A Expense	NA	27.1%	16.8%	28.7%	31.5%	21.9%	30.0%	32.9%	28.0%	26.0%	24.9%	21.3%
Operating Income	NA	-10.8%	10.9%	31.8%	44.9%	28.2%	27.0%	33.5%	10.5%	23.4%	22.8%	23.1%
Earnings Per Share	NA	-27.8%	21.6%	44.6%	38.2%	31.2%	24.2%	26.0%	6.1%	26.3%	25.8%	25.1%

Source: Company data, Morgan Stanley Research estimates

Exhibit 39: UA Quarterly Income Statement

	2014				2015				2016			
Quarterly Income Statement	**1QA**	**2QA**	**3QA**	**4QA**	**1QA**	**2QA**	**3QA**	**4QE**	**1QE**	**2QE**	**3QE**	**4QE**
Revenues	$ 641.6	$ 609.7	$ 937.9	$ 895.2	$ 804.9	$ 783.6	$ 1,204.1	$ 1,090.1	$ 1,008.1	$ 978.0	$ 1,517.8	$ 1,379.0
Cost of Sales	$ 340.9	$ 309.7	$ 472.6	$ 448.9	$ 427.3	$ 404.5	$ 616.9	$ 559.7	$ 539.2	$ 503.9	$ 776.2	$ 712.3
Gross Profit	$ 300.7	$ 300.0	$ 465.3	$ 446.3	$ 377.7	$ 379.1	$ 587.2	$ 530.3	$ 469.0	$ 474.1	$ 741.6	$ 666.8
Selling, general and administrative expenses	$ 273.8	$ 265.3	$ 318.2	$ 300.0	$ 350.0	$ 347.2	$ 415.8	$ 370.0	$ 439.6	$ 434.7	$ 525.4	$ 469.0
Income (loss) from operations	$ 26.9	$ 34.7	$ 146.1	$ 146.3	$ 27.7	$ 31.9	$ 171.4	$ 160.3	$ 29.3	$ 39.4	$ 216.2	$ 197.6
Interest expense, net	$ (0.8)	$ (1.2)	$ (1.6)	$ (1.7)	$ (2.2)	$ (4.3)	$ (4.1)	$ (4.1)	$ (6.8)	$ (6.8)	$ (6.8)	$ (6.6)
Income before income taxes	$ 25.1	$ 33.7	$ 141.2	$ 142.1	$ 23.6	$ 27.7	$ 164.1	$ 153.0	$ 22.6	$ 32.6	$ 209.5	$ 191.0
Income tax expense (benefit)	$ 11.6	$ 16.0	$ 52.1	$ 54.4	$ 11.9	$ 12.9	$ 63.6	$ 58.6	$ 8.8	$ 12.7	$ 81.5	$ 74.3
Adjusted earnings	$ 13.5	$ 17.7	$ 89.1	$ 87.7	$ 11.7	$ 14.8	$ 100.5	$ 94.4	$ 13.8	$ 19.9	$ 128.0	$ 116.7
Extraordinary Items, Net of Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
GAAP earnings	$ 13.5	$ 17.7	$ 89.1	$ 87.7	$ 11.7	$ 14.8	$ 100.5	$ 94.4	$ 13.8	$ 19.9	$ 128.0	$ 116.7
Accretion of and cumulative preferred dividends on Series A Preferred Stock	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Income Available for Comon Shareholders	$ 13.5	$ 17.7	$ 89.1	$ 87.7	$ 11.7	$ 14.8	$ 100.5	$ 94.4	$ 13.8	$ 19.9	$ 128.0	$ 116.7
Adjusted Diluted EPS	$ 0.06	$ 0.08	$ 0.41	$ 0.40	$ 0.05	$ 0.07	$ 0.45	$ 0.43	$ 0.06	$ 0.09	$ 0.58	$ 0.53
Diluted Shares	216.9	217.3	218.0	219.7	219.6	219.9	221.1	221.1	219.4	219.4	219.4	219.4
Margin Analysis												
Gross Margin	46.9%	49.2%	49.6%	49.9%	46.9%	48.4%	48.8%	48.7%	46.5%	48.5%	48.9%	48.4%
Expense Ratio	42.7%	43.5%	34.0%	33.5%	43.5%	44.3%	34.5%	33.9%	43.6%	44.4%	34.6%	34.0%
Operating Margin	4.2%	5.7%	15.6%	16.3%	3.4%	4.1%	14.2%	14.7%	2.9%	4.0%	14.2%	14.3%
Tax Rate	46.1%	47.5%	36.9%	38.3%	50.3%	46.7%	38.8%	38.3%	38.9%	38.9%	38.9%	38.9%
Year-Over-Year Growth												
Sales	22.7%	33.6%	28.7%	35.0%	25.5%	28.5%	28.4%	21.8%	25.2%	24.8%	26.1%	26.5%
SG&A Expense	34.7%	16.7%	21.1%	45.9%	27.6%	30.9%	30.3%	23.3%	25.6%	25.2%	26.4%	26.7%
Operating Income	-44.7%	175.7%	32.9%	28.7%	3.0%	-8.1%	17.3%	9.6%	6.1%	23.5%	26.2%	23.4%
Earnings Per Share	-47.4%	159.8%	25.6%	28.6%	-14.4%	-12.6%	11.2%	7.0%	17.7%	35.3%	28.3%	24.8%

Source: Company data, Morgan Stanley Research estimates

Exhibit 40: UA Segment Quarterly Income Statement

	2014				2015				2016			
Segment Income Statement	**1QA**	**2QA**	**3QA**	**4QA**	**1QA**	**2QA**	**3QA**	**4QE**	**1QE**	**2QE**	**3QE**	**4QE**
North America												
Net Sales	$ 582.6	$ 558.6	$ 847.6	$ 806.2	$ 700.5	$ 660.3	$ 1,050.4	$ 969.2	$ 842.2	$ 818.1	$ 1,288.0	$ 1,176.7
YY % Change	NM	NM	NM	NM	21.0%	23.0%	26.3%	21.0%	21.0%	21.0%	22.0%	22.0%
Income (loss) from operations	$ 31.1	$ 46.6	$ 147.5	$ 147.1	$ 38.4	$ 52.4	$ 181.5	$ 173.9	$ 44.4	$ 63.7	$ 222.3	$ 212.9
YY % Change	NM	NM	NM	NM	21.0%	23.0%	26.3%	21.0%	21.0%	21.0%	22.0%	22.0%
% of Revenue	5.3%	8.4%	17.4%	18.2%	5.5%	7.7%	17.2%	17.9%	5.3%	7.8%	17.3%	18.0%
YY Basis Point Change	202 bps	10 bps	13 bps	208 bps	13 bps	-68 bps	-24 bps	-25 bps	-20 bps	10 bps	10 bps	10 bps
Other foreign countries and businesses												
Net Sales	$ 59.1	$ 46.1	$ 86.8	$ 82.6	$ 96.0	$ 89.2	$ 130.2	$ 109.4	$ 130.3	$ 134.8	$ 200.0	$ 176.1
YY % Change	NM	NM	NM	NM	85.9%	111.8%	67.8%	50.0%	45.0%	45.0%	45.0%	45.0%
Income (loss) from operations	$ (0.7)	$ (7.1)	$ 3.8	$ (14.5)	$ 4.3	$ (4.4)	$ 5.2	$ (19.2)	$ 6.0	$ (6.8)	$ 9.8	$ (31.1)
YY % Change	NM	NM	NM	NM	85.9%	111.8%	67.8%	50.0%	45.0%	45.0%	45.0%	45.0%
% of Revenue	-1.2%	-15.3%	4.4%	-17.6%	4.5%	-4.9%	4.7%	-17.6%	4.0%	-5.1%	4.6%	-17.5%
YY Basis Point Change	0 bps	0 bps	0 bps	0 bps	570 bps	1041 bps	30 bps	0 bps	-50 bps	-20 bps	10 bps	10 bps

Source: Company data, Morgan Stanley Research estimates

Exhibit 41: UA Bull Case

BULL CASE	2007A	2008A	2009A	2010A	2011A	2012A	2013A	2014A	2015E	2016E	2017E	2018E
Income Statement												
Revenues	$ 606.6	$ 725.2	$ 856.4	$ 1,063.9	$ 1,472.7	$ 1,834.9	$ 2,332.1	$ 3,084.4	$ 3,916.6	$ 5,052.5	$ 6,366.1	$ 7,798.5
Cost of Sales	$ 301.5	$ 370.3	$ 446.3	$ 533.4	$ 759.8	$ 955.6	$ 1,195.4	$ 1,572.2	$ 2,022.1	$ 2,601.7	$ 3,265.4	$ 4,000.1
Gross Profit	$ 305.0	$ 354.9	$ 410.1	$ 530.5	$ 712.8	$ 879.3	$ 1,136.7	$ 1,512.2	$ 1,894.5	$ 2,450.8	$ 3,100.7	$ 3,798.4
Selling, general and administrative expenses	$ 218.8	$ 276.0	$ 324.9	$ 418.2	$ 550.1	$ 670.6	$ 871.6	$ 1,158.3	$ 1,488.0	$ 1,919.6	$ 2,418.7	$ 2,962.9
Income (loss) from operations	$ 86.3	$ 76.9	$ 85.3	$ 112.4	$ 162.8	$ 208.7	$ 265.1	$ 354.0	$ 406.5	$ 531.2	$ 682.0	$ 835.5
Interest expense, net	$ -	$ (6.9)	$ (2.3)	$ (2.3)	$ (3.8)	$ (5.2)	$ (2.9)	$ (6.3)	$ (14.7)	$ (27.1)	$ (27.8)	$ (28.5)
Income before income taxes	$ 89.0	$ 69.9	$ 82.4	$ 108.9	$ 156.9	$ 203.4	$ 261.0	$ 342.2	$ 383.5	$ 504.1	$ 654.3	$ 807.0
Income tax expense (benefit)	$ 36.5	$ 31.7	$ 35.6	$ 40.4	$ 59.9	$ 74.7	$ 98.7	$ 134.2	$ 153.0	$ 196.1	$ 248.6	$ 302.6
Adjusted earnings	$ 52.6	$ 38.2	$ 46.8	$ 68.5	$ 96.9	$ 128.8	$ 162.3	$ 208.0	$ 230.5	$ 308.0	$ 405.6	$ 504.4
Extraordinary Items, Net of Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
GAAP earnings	$ 52.6	$ 38.2	$ 46.8	$ 68.5	$ 96.9	$ 128.8	$ 162.3	$ 208.0	$ 230.5	$ 308.0	$ 405.6	$ 504.4
Accretion of and cumulative preferred dividends on Series A Preferred Stock	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
Net Income Available for Comon Shareholders	$ 52.6	$ 38.2	$ 46.8	$ 68.5	$ 96.9	$ 128.8	$ 162.3	$ 208.0	$ 230.5	$ 308.0	$ 405.6	$ 504.4
Adjusted Diluted EPS	$ 0.26	$ 0.19	$ 0.23	$ 0.33	$ 0.46	$ 0.61	$ 0.75	$ 0.95	$ 1.05	$ 1.40	$ 1.85	$ 2.30
Diluted Shares	199.3	201.4	202.6	205.1	210.1	212.8	216.0	219.7	220.4	219.4	219.4	219.4
Margin Analysis												
Gross Margin	50.3%	48.9%	47.9%	49.9%	48.4%	47.9%	48.7%	49.0%	48.4%	48.5%	48.7%	48.7%
SG&A Ratio	36.1%	38.3%	37.9%	39.3%	37.4%	36.5%	37.4%	37.6%	38.0%	38.0%	38.0%	38.0%
Operating Margin	14.2%	10.6%	10.0%	10.6%	11.1%	11.4%	11.4%	11.5%	10.4%	10.5%	10.7%	10.7%
Tax Rate	41.0%	45.3%	43.2%	37.1%	38.2%	36.7%	37.8%	39.2%	39.9%	38.9%	38.0%	37.5%
Year-Over-Year Growth												
Sales	49.8%	19.5%	18.1%	24.2%	38.4%	24.6%	27.1%	32.3%	27.0%	29.0%	26.0%	22.5%
SG&A Expense	37.9%	27.1%	16.8%	28.7%	31.5%	21.9%	30.0%	32.9%	28.5%	29.0%	26.0%	22.5%
Operating Income	51.6%	-10.8%	10.9%	31.8%	44.9%	28.2%	27.0%	33.5%	14.8%	30.7%	28.4%	22.5%
Earnings Per Share	33.8%	-27.8%	21.6%	44.6%	38.2%	31.2%	24.2%	26.0%	10.5%	34.2%	31.7%	24.3%

Source: Company data, Morgan Stanley Research estimates

Exhibit 42: UA Bear Case

BEAR CASE	2007A	2008A	2009A	2010A	2011A	2012A	2013A	2014A	2015E	2016E	2017E	2018E
Income Statement												
Revenues	$ 606.6	$ 725.2	$ 856.4	$ 1,063.9	$ 1,472.7	$ 1,834.9	$ 2,332.1	$ 3,084.4	$ 3,844.1	$ 4,757.6	$ 5,785.9	$ 6,900.1
Cost of Sales	$ 301.5	$ 370.3	$ 446.3	$ 533.4	$ 759.8	$ 955.6	$ 1,195.4	$ 1,572.2	$ 1,992.4	$ 2,483.1	$ 3,032.7	$ 3,615.2
Gross Profit	$ 305.0	$ 354.9	$ 410.1	$ 530.5	$ 712.8	$ 879.3	$ 1,136.7	$ 1,512.2	$ 1,851.8	$ 2,274.4	$ 2,753.1	$ 3,284.9
Selling, general and administrative expenses	$ 218.8	$ 278.0	$ 324.9	$ 418.2	$ 550.1	$ 670.6	$ 871.6	$ 1,158.3	$ 1,475.9	$ 1,835.9	$ 2,240.3	$ 2,678.6
Income (loss) from operations	$ 86.3	$ 76.9	$ 85.3	$ 112.4	$ 162.8	$ 208.7	$ 265.1	$ 354.0	$ 375.9	$ 438.5	$ 522.8	$ 606.3
Interest expense, net	$ -	$ (6.9)	$ (2.3)	$ (2.3)	$ (3.8)	$ (5.2)	$ (2.9)	$ (5.3)	$ (14.7)	$ (27.1)	$ (27.8)	$ (28.5)
Income before income taxes	$ 89.0	$ 69.9	$ 82.4	$ 106.9	$ 156.9	$ 203.4	$ 261.0	$ 342.2	$ 352.9	$ 412.4	$ 495.1	$ 577.8
Income tax expense (benefit)	$ 36.5	$ 31.7	$ 35.6	$ 40.4	$ 59.9	$ 74.7	$ 98.7	$ 134.2	$ 140.8	$ 160.4	$ 188.1	$ 216.7
Adjusted earnings	$ 52.6	$ 38.2	$ 46.8	$ 68.5	$ 96.9	$ 128.8	$ 162.3	$ 208.0	$ 212.1	$ 252.0	$ 307.0	$ 361.1
Extraordinary Items, Net of Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
GAAP earnings	$ 52.6	$ 38.2	$ 46.8	$ 68.5	$ 96.9	$ 128.8	$ 162.3	$ 208.0	$ 212.1	$ 252.0	$ 307.0	$ 361.1
Accretion of and cumulative preferred dividends on Series A Preferred Stock	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
Net Income Available for Comon Shareholders	$ 52.6	$ 38.2	$ 46.8	$ 68.5	$ 96.9	$ 128.8	$ 162.3	$ 208.0	$ 212.1	$ 252.0	$ 307.0	$ 361.1
Adjusted Diluted EPS	$ 0.26	$ 0.19	$ 0.23	$ 0.33	$ 0.46	$ 0.61	$ 0.75	$ 0.95	$ 0.96	$ 1.15	$ 1.40	$ 1.65
Diluted Shares	199.6	201.4	202.6	205.1	210.1	212.8	216.0	219.7	220.4	219.4	219.4	219.4
Margin Analysis												
Gross Margin	50.3%	48.9%	47.9%	49.9%	48.4%	47.9%	48.7%	49.0%	48.2%	47.8%	47.6%	47.6%
SG&A Rate	36.1%	38.3%	37.9%	39.3%	37.4%	36.5%	37.4%	37.6%	38.4%	38.6%	38.7%	38.8%
Operating Margin	14.2%	10.6%	10.0%	10.6%	11.1%	11.4%	11.4%	11.5%	9.8%	9.2%	9.0%	8.8%
Tax Rate	41.0%	45.3%	43.2%	37.1%	38.2%	36.7%	37.8%	39.2%	39.9%	38.9%	38.0%	37.5%
Year-Over-Year Growth												
Sales	40.6%	19.5%	18.1%	24.2%	38.4%	24.6%	27.1%	32.3%	24.6%	23.8%	21.6%	19.3%
SG&A Expense	37.9%	27.1%	16.8%	28.7%	31.5%	21.9%	30.0%	32.9%	27.4%	24.3%	22.1%	19.6%
Operating Income	51.6%	-10.8%	10.9%	31.8%	44.9%	28.2%	27.0%	33.5%	6.2%	16.6%	19.0%	16.0%
Earnings Per Share	33.8%	-27.8%	21.6%	44.6%	38.7%	31.2%	24.2%	26.0%	1.8%	19.3%	21.8%	17.8%

Source: Company data, Morgan Stanley Research estimates

Exhibit 43: UA Cash Flow Statement

CASH FLOW STATEMENT	2007A	2008A	2009A	2010A	2011A	2012A	2013A	2014A	2015E	2016E	2017E	2018E
Net Income (Loss)	53	38	47	68	97	129	162	208	221	278	350	438
Depreciation and Amortization	15	21	28	31	36	43	51	72	98	118	165	241
Other Amortization	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Income Taxes	(5)	(3)	(5)	(10)	4	(13)	(19)	(18)	0	0	0	0
Working Capital Accounts:												
Change in Accounts Receivable	(24)	3	4	(32)	(34)	(53)	(36)	(101)	(78)	(99)	(118)	(120)
Change in Inventories	(84)	(19)	33	(65)	(115)	5	(157)	(86)	(152)	(214)	(128)	(112)
Change in Accounts Payable	12	17	(4)	16	17	35	15	49	61	74	68	96
Other Changes in WC	13	(10)	7	22	(15)	22	45	32	25	31	38	40
Change in Working Capital	(83)	(10)	40	(59)	(148)	9	(133)	(104)	(144)	(208)	(138)	(97)
Other Adjustments	6	23	9	20	34	32	53	61	(6)	(7)	(9)	(9)
Net Cash Provided (Used) by Operating Activities	-$15	$70	$119	$50	$15	$200	$120	$219	$170	$181	$391	$573
Additions to Property, Plant and Equipment	(34)	(39)	(20)	(30)	(56)	(51)	(88)	(141)	(349)	(488)	(606)	(588)
Investments and Acquisitions, Net of Cash Acquired	0	0	0	(11)	(27)	0	(148)	(11)	(560)	0	0	0
Other, net	(0)	(3)	(0)	(0)	(6)	4	(2)	(1)	0	0	0	0
Net Cash Provided (Used) by Investing Activities	($34)	($42)	($20)	($42)	($89)	($47)	($238)	($152)	($909)	($488)	($606)	($588)
Dividends Paid	0	0	0	0	0	0	0	0	0	0	0	0
Change in Equity	3	2	5	7	15	16	15	16	16	0	0	0
Net Change in Debt	15	33	(22)	(0)	31	(2)	112	167	400	300	158	(50)
Net Cash Provided (Used) by Financing Activities	$18	$35	($16)	$7	$46	$12	$127	$182	$416	$300	$158	($50)
Effect of Foreign Exchange Rates Changes on Cash	0	(1)	3	1	(0)	1	(3)	(3)	0	0	0	0
Net Increase (Decrease) in Cash	($30)	$61	$85	$17	($28)	$166	$6	$246	($324)	($7)	($65)	($65)
Starting Cash	71	41	102	187	204	175	342	347	593	270	262	197
Ending Cash	41	102	187	204	175	342	347	593	270	262	197	132

Source: Company data, Morgan Stanley Research

Exhibit 44: UA Balance Sheet

BALANCE SHEET	2007A	2008A	2009A	2010A	2011A	2012A	2013A	2014A	2015E	2016E	2017E	2018E
ASSETS												
Current Assets												
Cash	$41	$102	$187	$204	$175	$342	$347	$593	$170	$261	$197	$132
Accounts Receivable, net	$94	$81	$79	$102	$134	$175	$210	$280	$358	$466	$566	$687
Inventories	$166	$182	$148	$215	$324	$319	$469	$537	$668	$902	$1,031	$1,143
Deferred Taxes	$10	$13	$13	$15	$16	$23	$38	$52	$52	$52	$52	$52
Other Current Assets	$12	$18	$20	$19	$40	$44	$64	$87	$110	$138	$171	$208
Total Current Assets	$322	$396	$448	$556	$690	$904	$1,129	$1,549	$1,476	$1,812	$2,019	$2,222
Long Term Assets												
Property and Equipment, net	$52	$74	$73	$76	$159	$181	$224	$306	$1,117	$1,437	$1,928	$2,275
Goodwill net	$0	$0	$0	$0	$0	$0	$122	$123	$123	$123	$123	$123
Intangibles net	$6	$5	$6	$4	$5	$4	$24	$26	$26	$25	$26	$25
Other Assets	$10	$12	$19	$39	$65	$68	$79	$91	$114	$143	$178	$216
Total Long-Term Assets	$68	$91	$98	$120	$230	$253	$449	$546	$1,380	$1,728	$2,256	$2,640
Total Assets	$391	$488	$546	$675	$919	$1,157	$1,578	$2,095	$2,856	$3,592	$4,274	$4,863
LIABILITIES AND SHAREHOLDERS' EQUITY												
Current Liabilities												
Current portion of long term borrowings and capital lease obligations	$5	$32	$9	$7	$7	$9	$105	$28	$29	$29	$29	$29
Accounts Payable	$55	$72	$69	$85	$101	$144	$165	$210	$272	$346	$432	$528
Other Current Liabilities	$36	$29	$40	$58	$76	$98	$156	$182	$229	$289	$358	$434
Total Current Liabilities	$96	$133	$120	$149	$184	$252	$427	$422	$530	$663	$818	$991
Long Term Liabilities												
Long-term borrowings and capital lease obligations	$10	$13	$11	$9	$71	$53	$48	$256	$655	$955	$1,106	$1,056
Other Deferred Liabilities	$5	$10	$14	$20	$28	$35	$50	$68	$85	$108	$133	$162
Total Long-Term Liabilities	$14	$23	$25	$29	$99	$88	$98	$323	$741	$1,063	$1,239	$1,217
Total Liabilities	$110	$156	$146	$178	$283	$340	$524	$745	$1,271	$1,726	$2,058	$2,208
Shareholders' Equity												
Common Stock	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Additional paid-in capital + other	$162	$175	$197	$226	$268	$321	$397	$508	$508	$508	$508	$508
Accumulated other comprehensive income	$1	$0	$0	$2	$2	$2	$2	($15)	($15)	($15)	($15)	($15)
Retained Earnings	$118	$156	$202	$270	$366	$493	$654	$857	$1,094	$1,372	$1,723	$2,161
Treasury Stock	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Shareholders' Equity	$280	$331	$400	$497	$636	$817	$1,053	$1,350	$1,587	$1,866	$2,216	$2,655
Total liabilities and equity	$391	$488	$546	$675	$919	$1,157	$1,578	$2,095	$2,858	$3,592	$4,274	$4,863

Source: Company data, Morgan Stanley Research estimates

Exhibit 45: UA Financial Stats

FINANCIAL STATS	2007A	2008A	2009A	2010A	2011A	2012A	2013A	2014A	2015E	2016E	2017E	2018E
Returns (Dupont analysis)												
Return on equity	21.2%	12.5%	12.8%	15.3%	19.5%	20.2%	19.9%	19.8%	13.9%	14.9%	16.6%	16.5%
Net income/sales	6.7%	5.3%	5.5%	6.4%	6.6%	7.0%	7.0%	6.7%	5.7%	5.7%	5.8%	6.0%
Sales/assets	1.6	1.7	1.7	1.7	2.2	2.0	2.0	2.0	1.4	1.4	1.4	1.5
Assets/equity	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.5	1.8	1.9	1.9	1.8
Free cash flow												
Net income margin	6.7%	5.3%	5.5%	6.4%	6.6%	7.0%	7.0%	6.7%	5.7%	5.7%	5.8%	6.0%
D&A as a percent of sales	2.4%	2.9%	3.3%	2.9%	2.5%	2.3%	2.2%	2.3%	2.5%	2.4%	2.7%	3.3%
CapEx as a percent of sales	5.6%	5.3%	2.3%	3.6%	3.3%	2.6%	3.8%	4.6%	9.6%	10.0%	10.0%	8.0%
Free cash flow margin	-6.0%	3.8%	11.8%	9.8%	-5.0%	6.3%	-6.1%	2.2%	-10.9%	-6.3%	-3.5%	-0.2%
Dividends plus buybacks as a percent of sales	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Payout ratios												
Dividend payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Buyback payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Credit												
EBITDA	$101	$98	$114	$144	$199	$252	$316	$426	$490	$600	$758	$971
Net debt	($25)	($56)	($167)	($160)	($96)	($260)	($195)	($300)	$415	$722	$937	$952
Net debt/EBITDA	-0.3x	-0.6x	-1.5x	-1.1x	-0.5x	-1.1x	-0.6x	-0.7x	0.8x	1.2x	1.2x	1.0x
Debt to total capital	5.7%	0.4%	3.7%	2.4%	8.5%	5.3%	0.7%	10.6%	23.9%	27.4%	26.9%	22.3%
Liquidity												
Inventory turns	2.4x	2.1x	2.7x	2.9x	2.8x	3.0x	3.0x	3.1x	3.3x	3.2x	3.2x	3.5x
Days inventory	201	180	131	147	156	122	143	125	125	136	120	110
Days receivable	56	41	34	36	33	36	33	33	34	34	34	34
Days payable	47	71	56	58	48	55	51	49	49	56	50	51
Cash conversion cycle	191	149	99	124	141	102	126	109	109	114	104	93

Source: Company data, Morgan Stanley Research estimates

Valuation Methodology and Risks -- NKE.N: Derived from our DCF analysis, which uses a 9.05% cost of equity and a 3.50% LT growth rate. The cost of equity is based on the current market risk free rate, expected market return, and beta of 0.96. The growth rate is based on our LT industry growth forecast. Risks: Under Armour – strongly growing US athletic brand could continue to take share in the kids demographic, potentially taking loyal long-term customers away from Nike; China – changing consumer tastes may challenge Nike's ability to sell apparel in China; Valuation – slower than expected growth could cause significant multiple contraction; FX – unanticipated swings in FX create some risk to EPS given Nike is nearly 60% international; Environmental, social and governance – mismanagement of ESG issues could lead to business or reputational risk, which could hurt cash flow or valuation.

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Global Stock Ratings Distribution

(as of December 31, 2015)
For disclosure purposes only (in accordance with NASD and NYSE requirements), we include the category headings of Buy, Hold, and Sell alongside our ratings of Overweight, Equal-weight, Not-Rated and Underweight. Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold, and sell but represent recommended relative weightings (see definitions below). To satisfy regulatory requirements, we correspond Overweight, our most positive stock rating, with a buy recommendation; we correspond Equal-weight and Not-Rated to hold and Underweight to sell recommendations, respectively.

STOCK RATING CATEGORY	COVERAGE UNIVERSE COUNT	COVERAGE UNIVERSE % OF TOTAL	INVESTMENT BANKING CLIENTS (IBC) COUNT	IBC % OF TOTAL IBC	IBC % OF RATING CATEGORY
Overweight/Buy	**1193**	**35%**	**324**	**43%**	**27%**
Equal-weight/Hold	**1449**	**43%**	**330**	**44%**	**23%**
Not-Rated/Hold	**89**	**3%**	**12**	**2%**	**13%**
Underweight/Sell	**660**	**19%**	**88**	**12%**	**13%**
TOTAL	**3,391**		**754**		

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months.

Analyst Stock Ratings

Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
Equal-weight (E). The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
Not-Rated (NR). Currently the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
Underweight (U). The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
Unless otherwise specified, the time frame for price targets included in Morgan Stanley Research is 12 to 18 months.

Analyst Industry Views

Attractive (A): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.
In-Line (I): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be in line with the relevant broad market benchmark, as indicated below.
Cautious (C): The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.
Benchmarks for each region are as follows: North America - S&P 500; Latin America - relevant MSCI country index or MSCI Latin America Index; Europe - MSCI Europe; Japan - TOPIX; Asia - relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

Stock Price, Price Target and Rating History (See Rating Definitions)

Stock Rating History: 1/1/13 : E/I; 10/29/13 : O/I

Price Target History: 2/24/12 : NA; 10/29/13 : 42.5; 7/2/14 : 44; 9/30/14 : 52.5; 6/26/15 : 54.5; 8/20/15 : 59.5; 9/25/15 : 65; 10/12/15 : 65.5; 12/3/15 : 69.5

Source: Morgan Stanley Research   Date Format : MM/DD/YY   Price Target   No Price Target Assigned (NA)
Stock Price (Not Covered by Current Analyst)   Stock Price (Covered by Current Analyst)
Stock and Industry Ratings (abbreviations below) appear as ◆ Stock Rating/Industry View
Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)
Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

Effective January 13, 2014, the stocks covered by Morgan Stanley Asia Pacific will be rated relative to the analyst's industry (or industry team's) coverage.

Effective January 13, 2014, the industry view benchmarks for Morgan Stanley Asia Pacific are as follows: relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

Under Armour Inc. (UA.N) - As of 1/9/16 in USD
Industry : Branded Apparel & Footwear

Stock Rating History: 1/1/13 : O/I; 1/7/13 : E/I; 10/29/13 : E/I

Price Target History: 7/24/12 : 31; 1/7/13 : NA; 10/16/14 : 68; 7/24/15 : 74; 10/12/15 : 110; 10/23/15 : 103

Source: Morgan Stanley Research Date Format : MM/DD/YY Price Target -- No Price Target Assigned (NA)
Stock Price (Not Covered by Current Analyst) — Stock Price (Covered by Current Analyst) —
Stock and Industry Ratings (abbreviations below) appear as ◆ Stock Rating/Industry View
Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)
Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

Effective January 13, 2014, the stocks covered by Morgan Stanley Asia Pacific will be rated relative to the analyst's industry (or industry team's) coverage.

Effective January 13, 2014, the industry view benchmarks for Morgan Stanley Asia Pacific are as follows: relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

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INDUSTRY COVERAGE: **Branded Apparel & Footwear**

COMPANY (TICKER)	RATING (AS OF)	PRICE* (01/08/2016)
Jay Sole		
Caleres Inc (CAL.N)	E (12/22/2014)	$23.70
Columbia Sportswear Co. (COLM.O)	U (01/09/2015)	$46.29
Deckers Outdoor Corp (DECK.N)	E (02/09/2015)	$44.28
DSW Inc. (DSW.N)	U (10/29/2014)	$23.34
Finish Line Inc (FINL.O)	E (09/22/2014)	$16.97
Foot Locker Inc (FL.N)	E (10/29/2013)	$62.70
Genesco Inc (GCO.N)	E (10/29/2014)	$55.62
Hanesbrands Inc. (HBI.N)	O (01/09/2015)	$29.00
Nike Inc. (NKE.N)	O (10/29/2013)	$58.87
Performance Sports Group Ltd. (PSG.N)	O (08/19/2014)	$8.14
PVH Corp. (PVH.N)	E (03/13/2014)	$70.34
Ralph Lauren Corp (RL.N)	E (01/16/2014)	$103.59
Skechers USA Inc. (SKX.N)	O (10/29/2014)	$26.77
Steven Madden Ltd (SHOO.O)	E (10/29/2014)	$29.43
Under Armour Inc. (UA.N)	U (01/10/2016)	$75.00
VF Corp (VFC.N)	E (02/12/2014)	$58.22
Vista Outdoor Inc. (VSTO.N)	E (05/29/2015)	$46.33
Wolverine World Wide Inc. (WWW.N)	E (10/29/2014)	$15.73

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* Historical prices are not split adjusted.